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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)

(Warrant Code: 414)

**POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING
HELD ON 28 OCTOBER 2010;
EXCHANGE OF SHARE CERTIFICATES;
ADJUSTMENTS TO THE CONVERTIBLE NOTES
AND THE WARRANTS; AND
RIGHTS ISSUE**

The Board is pleased to announce that all the resolutions proposed at the EGM held on 28 October 2010 as set out in the EGM Notice were duly passed.

As a result of the Share Consolidation, adjustments will be made to the conversion price and/or the subscription price and the number of Consolidated Shares falling to be allotted and issued upon conversion of the outstanding Convertible Notes and exercise of the outstanding Warrants in accordance with their respective terms. The adjustments will become effective from the close of business on 28 October 2010. The Company's auditor has reviewed the adjustments and confirmed in writing that the adjustments are in accordance with the terms of the Convertible Notes and the Warrants.

The Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon the Underwriting Agreement having become unconditional and the Underwriters not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Rights Issue may or may not proceed. Investors should seek professional advice regarding dealings in the Shares or the Consolidated Shares (as the case may be) and the nil-paid Rights Shares if they are in any doubt.

Reference is made to the circular (the “**Circular**”) and the notice of extraordinary general meeting (the “**EGM Notice**”) both dated 12 October 2010 issued by New Smart Energy Group Limited (the “**Company**”). Terms used in this announcement shall have the same meanings as those defined in the Circular unless the context requires otherwise.

RESULTS OF THE EXTRAORDINARY GENERAL MEETING

At the extraordinary general meeting (the “**EGM**”) held at 10:00 a.m. on 28 October 2010, all the ordinary resolutions set out in the EGM Notice were duly approved by the Shareholders. The voting for all the resolutions was taken by poll in accordance with Rule 13.39(4) of the Listing Rules.

The Board is pleased to announce the poll results in respect of the resolutions proposed in the EGM as follows:

Ordinary resolutions	Number of votes (%)		Total votes(%)
	FOR	AGAINST	
1. To approve the Capital Reorganisation (the “Capital Reorganisation Resolution”)	2,042,664,890 (99.55%)	9,200,000 (0.45%)	2,051,864,890 (100%)
2. To approve the Rights Issue (the “Rights Issue Resolution”)	2,042,664,890 (99.55%)	9,200,000 (0.45%)	2,051,864,890 (100%)

The full text of the above resolutions has been set out in the EGM Notice.

As more than half of the votes (including proxies) were cast in favour of all the above resolutions at the EGM, such resolutions were passed as ordinary resolutions of the Company.

At the EGM, the total issued share capital of the Company consists of 8,669,459,549 Shares. There was no Share entitling the holders to attend and vote only against the resolutions proposed at the EGM. No Shareholder is required to abstain from voting in relation to the Capital Reorganisation Resolution. The total number of Shares entitling the holders to attend and vote for or against the Capital Reorganisation Resolution is 8,669,459,549 Shares. Mr. Tong Nai Kan and his associates, holding 60,000,000 Shares, representing approximately 0.69% of the issued share capital of the Company at the EGM, abstained from voting on the Rights Issue Resolution at the EGM pursuant to the Listing Rules. The total number of Shares entitling the holders to attend and vote for or against the Rights Issue Resolution is 8,609,459,549 Shares.

The Directors expect that the Capital Reorganisation will become effective on 29 October 2010.

Tricor Standard Limited, the share registrar of the Company, was appointed as the scrutineer for the vote taking.

EXCHANGE OF SHARE CERTIFICATES

It is expected that the Share Consolidation will become effective at 9:30 a.m. on 29 October 2010. Shareholders may, on or after 29 October 2010 until 7 December 2010 (both dates inclusive) submit share certificates for existing Shares (in PINK) to the Share Registrar, Tricor Standard Limited, of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, to exchange, at the expense of the Company, for certificates of the Consolidated Shares (in GREEN) on the basis of four (4) existing Shares for one (1) Consolidated Share.

Thereafter, certificates of Shares will remain effective as documents of title but will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) per existing share certificate cancelled or new share certificate issued (whichever is the higher) by Shareholders. Share certificates for existing Shares will only be valid for dealing and settlement purposes for the period up to 2 December 2010.

It is expected that new certificates for Consolidated Shares will be available for collection on or after the 10th Business Day after the submission of the existing certificates for the Shares to the Share Registrar.

ADJUSTMENTS TO THE CONVERTIBLE NOTES AND THE WARRANTS

As at the date hereof, the Company has outstanding Convertible Notes in the principal amount of HK\$1,162,417,000, and outstanding Warrants entitling the holders thereof to subscribe for 954,328,452 Shares.

As a result of the Share Consolidation, adjustments will be made to the conversion price and/or the subscription price and the number of Consolidated Shares falling to be allotted and issued upon conversion of the outstanding Convertible Notes and exercise of the outstanding Warrants in accordance with their respective terms. The adjustments will become effective from the close of business on 28 October 2010. The Company's auditor has reviewed the adjustments and confirmed in writing that the adjustments are in accordance with the terms of the Convertibles Notes and the Warrants.

The conversion price and the number of Consolidated Shares to be allotted and issued upon exercise of all the conversion rights attaching to the outstanding Convertible Notes will be adjusted in the following manner:

Principal amount of Convertible Notes outstanding as at the date hereof <i>HK\$</i>	Conversion price per Share before adjustment <i>HK\$</i>	Conversion price per Consolidated Share after adjustment <i>HK\$</i>	Number of Shares issuable upon exercise of the conversion rights attaching to all the outstanding Convertible Notes before adjustment	Number of Consolidated Shares issuable upon exercise of the conversion rights attaching to all the outstanding Convertible Notes after adjustment
1,162,417,000	0.23	0.92	5,053,986,956	1,263,496,739

The subscription price and the number of Consolidated Shares to be allotted and issued upon exercise of all the subscription rights attaching to the outstanding Warrants will be adjusted in the following manner:

Subscription price per Share before adjustment <i>HK\$</i>	Subscription price per Consolidated Share after adjustment <i>HK\$</i>	Number of Shares issuable upon exercise of the subscription rights attaching to all the outstanding Warrants before adjustment	Number of Consolidated Shares issuable upon exercise of the subscription rights attaching to all the outstanding Warrants after adjustment
0.05	0.20	954,328,452	238,582,113

WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

The Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon the Underwriting Agreement having become unconditional and the Underwriters not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Rights Issue may or may not proceed.

Trading of Consolidated Shares on ex-rights basis is expected to commence on Monday, 1 November 2010, and dealing in the Rights Shares in their nil-paid form is expected to take place from Thursday, 11 November 2010 to Thursday, 18 November 2010 (both dates inclusive). Any person contemplating buying or selling of the Shares or the Consolidated Shares (as the case may be) from now up to the date on which all conditions of the Rights Issue are fulfilled and dealing in the Rights Shares in their nil-paid form between Thursday, 11 November 2010 to Thursday, 18 November 2010 (both dates inclusive) will bear the risk that the Rights Issue may not become unconditional and may not proceed. Investors should seek professional advice regarding dealings in the Shares or the Consolidated Shares (as the case may be) and the nil-paid Rights Shares if they are in any doubt.

By Order of the Board
New Smart Energy Group Limited
Tam Tak Wah
Executive Director

Hong Kong, 28 October 2010

As at the date of this announcement, the executive directors of the Company are Mr. Tong Nai Kan, Ms. Tsang Ching Man, Mr. Lo Tai In, Mr. Tam Tak Wah and Ms. Pang Yuen Shan, Christina and the independent non-executive directors of the Company are Mr. Chan Tsz Kit, Mr. Wang Li and Mr. Wong Kwok Hong Simon.