

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a substantial reduction in profit for the six months ended 30 June 2011 as compared to that of the Group for the Corresponding Period. Though the Group will recognize a gain on disposal of the discontinued operation and disposal group classified as held for sale set out in the Corresponding Period, there is a reduction in fair value gain of the embedded derivative portion of the convertible notes of the Company.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the shares of the Company.

This announcement is made by New Smart Energy Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on the information currently available, the Group is expected to record a substantial reduction in profit for the six months ended 30 June 2011 as compared to that of the Group for the corresponding period in 2010 (the “**Corresponding Period**”). Though the Group will recognize a gain on disposal of the discontinued operation and disposal group classified as held for sale set out in the Corresponding Period, there is a reduction in fair value gain of the embedded derivative portion of the convertible notes of the Company.

This announcement is only based on a preliminary assessment of the consolidated management accounts of the Group as at 30 June 2011 which will be subject to the final review procedures of the Company's auditors. The Company is in the process of finalizing the Group's unaudited financial results for the six months ended 30 June 2011 which are expected to be published on 25 August 2011.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the shares of the Company.

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

Hong Kong, 17 August 2011

As at the date of this announcement, the executive directors of the Company are Mr. Cheng Wai Keung, Mr. Lo Tai In, Mr. Tam Tak Wah, Mr. Tong Nai Kan and Ms. Tsang Ching Man and the independent non-executive directors of the Company are Mr. Chan Tsz Kit, Mr. Chan Yim Por Bonnie and Mr. Wang Li.