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NEW ENVIRONMENTAL ENERGY HOLDINGS LIMITED
新環保能源控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 03989)

**COMPLETION OF
THE PLACING OF EXISTING SHARES AND
THE SUBSCRIPTION OF NEW SHARES UNDER
THE GENERAL MANDATE**

Placing Agent



華富嘉洛證券有限公司
Quam Securities Company Limited

Quam Securities Company Limited

The Board is pleased to inform that all conditions set out in the Placing Agreement and the Subscription Agreement have been fulfilled and the Placing and the Subscription were completed on 8 August 2012 and 14 August 2012, respectively.

Pursuant to the Placing Agreement, an aggregate of 127,244,000 Placing Shares have been successfully placed to the independent placee, Year Good, which (including its ultimate beneficial owner, Mr. Lau, Andrew, Kim) are third parties independent of the Company and independent of any connected persons of the Company (as defined in the Listing Rules), at the Placing Price of HK\$0.39 per Placing Share. Pursuant to the Subscription Agreement, an aggregate of 127,244,000 Subscription Shares, representing approximately 7.58% of the issued share capital of the Company as at the date of this announcement, have been issued and allotted to the Vendor at the Subscription Price of HK\$0.39 per Subscription Share.

Reference is made to the announcement of the Company dated 3 August 2012 (the “**Announcement**”) in relation to, among other things, the Placing Agreement and the Subscription Agreement. Capitalised terms used in this announcement shall have the same meanings as defined in the Announcement unless otherwise stated.

COMPLETION OF THE PLACING OF EXISTING SHARES AND THE SUBSCRIPTION OF NEW SHARES UNDER THE GENERAL MANDATE

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Pursuant to the Placing Agreement, an aggregate of 127,244,000 Placing Shares have been successfully placed to the independent placee, Year Good, which (including its ultimate beneficial owner, Mr. Lau, Andrew, Kim) are third parties independent of the Company and independent of any connected persons of the Company (as defined in the Listing Rules), at the Placing Price of HK\$0.39 per Placing Share. Pursuant to the Subscription Agreement, an aggregate of 127,244,000 Subscription Shares, representing approximately 7.58% of the issued share capital of the Company as at the date of this announcement, have been issued and allotted to the Vendor at the Subscription Price of HK\$0.39 per Subscription Share. The net proceeds from the Subscription, after deducting related Placing fees and all related expenses which being borne by the Company, are approximately HK\$48.77 million.

SHAREHOLDING STRUCTURE

The table below sets out the shareholding structure of the Company (i) immediately before completion of the Placing and the Subscription; (ii) after completion of the Placing but before completion of the Subscription; and (iii) immediately after completion of the Placing and the Subscription:

	Immediately before completion of the Placing and the Subscription		After completion of the Placing but before completion of the Subscription		Immediately after completion of the Placing and the Subscription	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Beijing Capital (Hong Kong) Limited (Note 1)	299,022,000	19.27	299,022,000	19.27	299,022,000	17.81
BC Water Investments Co., Ltd. (Note 1)	9,748,000	0.63	9,748,000	0.63	9,748,000	0.58
Simple Success Investments Limited (Note 2)	270,760,000	17.45	143,516,000	9.25	270,760,000	16.13
Best View Enterprises Limited (Note 3)	151,982,205	9.79	151,982,205	9.79	151,982,205	9.05
Bright King Investments Ltd.	69,326,000	4.47	69,326,000	4.47	69,326,000	4.13
Sycomore Limited, Appella Marcello and his associates (Note 4)	3,588,030	0.23	3,588,030	0.23	3,588,030	0.21
Year Good Group Limited	—	—	127,244,000	8.20	127,244,000	7.58
Existing public Shareholders	<u>747,454,804</u>	<u>48.16</u>	<u>747,454,804</u>	<u>48.16</u>	<u>747,454,804</u>	<u>44.51</u>
Total	<u>1,551,881,039</u>	<u>100.00</u>	<u>1,551,881,039</u>	<u>100.00</u>	<u>1,679,125,039</u>	<u>100.00</u>

Notes:

- (1) These Shares are held by Beijing Capital (Hong Kong) Limited and BC Water Investments Co., Ltd. respectively, which were wholly-owned subsidiaries of Beijing Capital Co., Ltd..
- (2) These Shares are held by Simple Success Investments Limited, which was a wholly-owned subsidiary of New World Strategic Investment Limited, which was in turn wholly-owned by New World Development Company Limited. Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited hold 49% and 40.2% interests in Chow Tai Fook Capital Limited, respectively. Chow Tai Fook

Capital Limited in turn owns 74.1% interest in Chow Tai Fook (Holding) Limited which holds the entire interest in Chow Tai Fook Enterprises Limited, which in turn has more than one-third of the issued shares of New World Development Company Limited.

- (3) These Shares are held by Best View Enterprises Limited. In addition, Best View Enterprises Limited has security interest in 69,326,000 Shares held by Bright King Investments Ltd.. Best View Enterprises Limited is wholly owned by Chow Tai Fook Nominee Limited, which is in turn controlled by Dato' Dr. Cheng Yu Tung.
- (4) These Shares are held by Sycomore Limited, which is owned as to 50% by Mr. Marcello Appella, an executive Director of the Company, and 50% by Mrs. Maguy, Alice, Juliette, Marie Pujol ep. Appella, the spouse of Mr. Marcello Appella.

By order of the Board of
New Environmental Energy Holdings Limited
Yu Chang Jian
Chairman

Hong Kong, 14 August 2012

As at the date of this announcement, the Board comprises six executive directors; namely, Mr. Yu Chang Jian, Mr. Cao Guo Xian, Mr. Liu Xiao Guang, Mr. Marcello Appella, Mr. Tang Zhi Bin and Mr. Xue Huixuan; one non-executive director; namely, Mr. Lim Jui Kian; one alternate non-executive director; namely Mr. Cai Qiao Herman (alternate director to Mr. Lim Jui Kian) and four independent non-executive directors; namely, Mr. Pao Ping Wing, Mr. Cheng Kai Tai, Allen, Mr. Li Baochun and Ms. Chan Yee Wah, Eva.