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**NEW ENVIRONMENTAL ENERGY HOLDINGS LIMITED**

**新環保能源控股有限公司**

**(FORMERLY KNOWN AS  
HEMBLY INTERNATIONAL HOLDINGS LIMITED**

**恒寶利國際控股有限公司)**

*(Incorporated in Cayman Islands with limited liability)*

**(Stock Code: 3989)**

**COMPLETION OF  
THE PLACING OF EXISTING SHARES AND  
SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE  
AND ADJUSTMENT TO THE CONVERSION PRICE OF  
THE OUTSTANDING CONVERTIBLE NOTES**

**PLACING AGENT**



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 April 2010 and 14 April 2010, respectively. An aggregate of 76,400,000 Placing Shares have been successfully placed to not less than 6 independent Placees which (including their ultimate beneficial owners, where applicable) are third parties independent of the Company and connected persons of the Company (as defined in the Listing Rules), at the Placing price of HK\$2.02 per Placing Share and an aggregate of 76,400,000 Subscription Shares, representing approximately 8.99% of the issued share capital of the Company as at the date of this announcement, have been issued and allotted to the Vendor at a Subscription price of HK\$2.02 per Subscription Share.

Reference is made to the announcement of the Company dated 1 April 2010 (the “**Announcement**”) in relation to, among other things, the Placing Agreement and the Subscription Agreement. Capitalized terms used in this announcement shall have the same meanings as defined in the Announcement unless otherwise stated.

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 April 2010 and 14 April 2010, respectively. An aggregate of 76,400,000 Placing Shares have been successfully placed to not less than 6 independent Placees which (including their ultimate beneficial owners, where applicable), are third parties independent of the Company and connected persons of the Company (as defined in the Listing Rules), at the Placing price of HK\$2.02 per Placing Share and an aggregate of 76,400,000 Subscription Shares, representing approximately 8.99% of the issued share capital of the Company as at the date of this announcement, have been issued and allotted to the Vendor at a Subscription price of HK\$2.02 per Subscription Share. The net proceeds from the Subscription, after deducting related Placing fees and all related expenses which may be borne by the Company, are estimated to be approximately HK\$147.8 million.

## **EFFECTS ON SHAREHOLDING STRUCTURE**

The table below sets out the issued share capital of the Company (i) immediately before the Placing and the Subscription and after completion of the issue of 9,341,000 new Shares on 13 April 2010, as referred to in the Company’s announcement of that date; (ii) immediately after the Placing and the Subscription; (iii) immediately after the Placing and the Subscription and conversion of the Convertible Notes to the extent that would not result in a change of control of the Company (whilst taking into account the corresponding adjustment to the conversion price of the Convertible Notes as a result of the completion of the Company’s issue of the 9,341,000 new Shares on 13 April 2010, as described in the Company’s announcement of that date and as a result of the Subscription, but assuming no other changes); (iv) immediately after the Placing and the Subscription and conversion of the Convertible Notes in full (whilst taking into account the corresponding adjustment to the conversion price of the Convertible Notes as a result of the completion of the Company’s issue of the 9,341,000 new Shares and as a result of the Subscription, but assuming no other changes. This is for illustrative purposes only, having regard to the undertaking given by each holder of the Convertible Notes not to exercise the conversion rights if such conversion would result in a change of control of the Company); (v) immediately after completion of both the Placing and the Subscription and the issue and conversion of the HK\$156 million in aggregate principal amount of the Convertible Bonds in full (whilst taking into account the corresponding adjustment to the conversion price of the Convertible Notes as a result of completion of the Company’s issue of the 9,341,000 new Shares and as a result of the Subscription, but assuming no other changes); and (vi) immediately after completion of both the Placing and the Subscription, conversion of the Convertible Notes in full and the issue and conversion of the HK\$156 million in aggregate principal amount of the Convertible Bonds in full (whilst taking into account the corresponding adjustment to the conversion price of the Convertible Notes as a result of the Subscription and completion of the issue of the 9,341,000 new Shares, but assuming no other changes

(this is for illustrative purposes only, having regard to the undertaking given by each holder of the Convertible Notes not to exercise the conversion rights if such conversion would result in a change of control of the Company)):

	(i)		(ii)		(iii)		(iv)		(v)		(vi)	
	Immediately before the completion of Placing and Subscription of Shares		Immediately after the completion of Placing and Subscription of Shares		Immediately after completion of both the Placing and the Subscription and conversion of the Convertible Notes to the extent that would not result in a change of control of the Company		Immediately after completion of both the Placing and the Subscription and conversion of the Convertible Notes in full		Immediately after completion of both the Placing and the Subscription, and the issue and conversion in full of the Convertible Bonds		Immediately after completion of both the Placing and the Subscription, the conversion in full of the Convertible Notes and the issue and conversion in full of the Convertible Bonds	
	Number of Shares	% (approx)	Number of Shares	% (approx)	Number of Shares	% (approx)	Number of Shares	% (approx)	Number of Shares	% (approx)	Number of Shares	% (approx)
Simple Success Investments Limited	72,000,000	9.31%	72,000,000	8.48%	234,076,311	22.61%	412,338,983	33.98%	72,000,000	7.90%	412,338,983	32.32%
The Vendor	76,400,000	9.88%	76,400,000	8.99%	76,400,000	7.38%	76,400,000	6.29%	76,400,000	8.38%	76,400,000	5.99%
Simple Success Investments Limited and the Vendor	148,400,000	19.19%	148,400,000	17.47%	310,476,311	29.99%	488,738,983	40.27%	148,400,000	16.28%	488,738,983	38.31%
Charm Hero Investments Limited, Mr. Ngok Yan Yu and his associates (Note 1)	76,594,205	9.91%	76,594,205	9.02%	76,594,205	7.40%	76,594,205	6.31%	76,594,205	8.40%	76,594,205	6.00%
Other Directors (other than Mr. Ngok Yan Yu)	3,858,030	0.50%	3,858,030	0.45%	3,858,030	0.37%	3,858,030	0.32%	3,858,030	0.42%	3,858,030	0.30%
Holder(s) of the outstanding Convertible Notes (other than Simple Success)	—	0.00%	—	0.00%	23,728,813	2.29%	23,728,813	1.96%	—	0.00%	23,728,813	1.86%
Placees	—	0.00%	76,400,000	8.99%	76,400,000	7.38%	76,400,000	6.30%	76,400,000	8.38%	76,400,000	5.99%
Waste Resources G.P. Limited acting as general partner of Waste Resources Fund L.P.												
— Shares	9,341,000	1.21%	9,341,000	1.10%	9,341,000	0.90%	9,341,000	0.77%	9,341,000	1.02%	9,341,000	0.73%
— Convertible Bonds	—	0.00%	—	0.00%	—	0.00%	—	0.00%	62,400,000	6.84%	62,400,000	4.89%
Other Public	534,867,765	69.19%	534,867,765	62.97%	534,867,765	51.67%	534,867,765	44.07%	534,867,765	58.66%	534,867,765	41.92%
<b>Total</b>	<b>773,061,000</b>	<b>100%</b>	<b>849,461,000</b>	<b>100%</b>	<b>1,035,266,124</b>	<b>100%</b>	<b>1,213,528,796</b>	<b>100%</b>	<b>911,861,000</b>	<b>100%</b>	<b>1,275,928,796</b>	<b>100%</b>

*Notes:*

1. These Shares include 76,344,205 Shares held by Charm Hero Investments Limited, a wholly owned subsidiary of Mensun Limited (which was controlled by Mr. Ngok Yan Yu, chairman and executive Director) and 250,000 Shares held by the spouse of Mr. Ngok Yan Yu.
2. As a result of the completion of the Company's issue of 9,341,000 new Shares on 13 April 2010, as described in the Company's announcement of that date, the conversion price under the Convertible Notes was adjusted down from HK\$1.20 per Share to HK\$1.19 per Share as at 13 April 2010.
3. As a result of completion of the Subscription, the conversion price of the Convertible Notes has been further adjusted in accordance with the terms and conditions of the Convertible Notes from HK\$1.19 per Share to HK\$1.18 per Share as at the date of completion of the Subscription on 14 April 2010.

**ADJUSTMENT OF THE CONVERSION PRICE UNDER THE CONVERTIBLE NOTES**

The terms of the instrument constituting the Convertible Notes require an adjustment to the conversion price under the Convertible Notes to be made if and whenever the Company shall issue Shares at less than 95% of the Current Market Price per Share (as that expression is defined in the Convertible Notes instrument) on the last dealing day preceding the date of the announcement of the terms of issue of the

relevant Shares. As referred to the Company's announcement dated 13 April 2010 relating to completion of the issue of HK\$156 million zero coupon guaranteed convertible bonds due 2015 and 9,341,000 new Shares, the conversion price under the Convertible Notes was adjusted from HK\$1.20 per Share to HK\$1.19 per Share on 13 April 2010, as a result of the issue by the Company of 9,341,000 new Shares which was completed on that date. On completion of the Subscription, the conversion price under the Convertible Notes has been further adjusted down from HK\$1.19 to HK\$1.18 in accordance with the terms of the Convertible Note instrument. Please note that the percentage shareholdings given in columns (iii) to (vi) of the above table in this announcement have already taken into account the required adjustments made to the conversion price under the Convertible Notes as a result of the issue of 9,341,000 new Shares by the Company and completion of the Subscription.

By order of the Board of  
**New Environmental Energy Holdings Limited**  
**(formerly known as Hembly International Holdings Limited)**  
**Ngok Yan Yu**  
*Chairman*

Hong Kong, 14 April 2010

*As at the date of this announcement, the Board comprises three executive directors, namely Mr. Ngok Yan Yu, Mr. Marcello Appella and Mr. Chan Tak Yan; three non-executive directors, namely Mr. Ho Gilbert Chi Hang, Mr. Mok Chung Kwan, Stephen and Mr. Lim Jui Kian and four independent non-executive directors, namely Mr. Lo Ming Chi, Charles, Mr. Pao Ping Wing, Mr. Kwan Hung Sang, Francis and Mr. Cheng Kai Tai, Allen.*