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德泰新能源集團有限公司
DeTai New Energy Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 559)

DISCLOSEABLE TRANSACTION RELATING TO EXTENSION OF THE LOAN AGREEMENT

EXTENSION OF THE LOAN AGREEMENT

On 3 February 2020 (after trading hours of the Stock Exchange), the Lender, an indirect wholly-owned subsidiary of the Company entered into the Extension Letter with the Borrower, an Independent Third Party to extend the date of repayment of the Loan under the Loan Agreement from 3 February 2020 to 3 February 2021. Save for the extension of the date of repayment of the Loan, all other terms and provisions of the Loan Agreement remain unchanged and in full force and effect.

LISTING RULES IMPLICATIONS

As the extension of the date of repayment of the Loan and the HK\$4M Loan were granted to the Borrower and the beneficial owner of the Borrower respectively within a twelve-month period, the transactions under each of the Extension Letter and the HK\$4M Loan Agreement require aggregation under Rule 14.22 of the Listing Rules.

As one or more of the relevant applicable percentage ratios in respect of the extension of the date of repayment of the Loan and the grant of the HK\$4M Loan in aggregate are higher than 5% but less than 25%, the extension of the date of repayment of the Loan and the provision of HK\$4M Loan constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

Reference is made to the announcement of DeTai New Energy Group Limited (the “**Company**”) dated 4 February 2019 relating to the provision of the Loan (the “**Announcement**”). Terms used herein shall have the same meanings as defined in the Announcement unless otherwise stated.

On 3 February 2020 (after trading hours of the Stock Exchange), the Lender, an indirect wholly-owned subsidiary of the Company entered into an extension letter (the “**Extension Letter**”) with Best Star International Limited (the “**Borrower**”), an Independent Third Party to extend the date of repayment of the Loan under the Loan Agreement from 3

February 2020 to 3 February 2021. Save for the extension of the date of repayment of the Loan, all other terms and provisions of the Loan Agreement remain unchanged and in full force and effect.

The principal terms of the Loan Agreement as amended by the Extension Letter are summarised below:

THE LOAN AGREEMENT (AS AMENDED BY THE EXTENSION LETTER)

Date:	4 February 2019
Lender:	DeTai Finance Limited, an indirect wholly-owned subsidiary of the Company
Borrower:	Best Star International Limited
Principal amount of the Loan:	HK\$15,000,000
Term:	From the date of drawdown (which is 4 February 2019) to 3 February 2021
Interest:	5.5% per annum. The Lender had received the sum of HK\$825,000 for the settlement of the outstanding accrued interest for the period from 4 February 2019 to 3 February 2020 (HK\$825,000) from the Borrower as at the date of this announcement
Default interest:	If the Borrower defaults in repayment on the due date of the Loan, interest or other amounts payable under the Loan Agreement, the Borrower shall pay interest on such overdue sums from the due date until payment in full (before and after judgment) at the rate of 5.5 per cent. (5.5%) per annum. Such interest shall be calculated on the actual number of days elapsed and on the basis of a 365-day year
Purpose:	The Loan shall be used for partial repayment in the amount of HK\$15,000,000 of a shareholder's loan owing by the Borrower to its shareholder
Repayment:	The outstanding principal amount of the Loan shall be repaid on 3 February 2021. The accrued interest of the Loan shall be repaid on the date of repayment
Prepayment:	The Loan may be prepaid in whole or in part together with the accrued interest up to and including the date of prepayment on the outstanding balance of the Loan to be prepaid by notice in writing

Security: (i) the first floating charge dated 4 February 2019 created by the Borrower in favour of the Lender in the inventory of the Borrower which consists of 27 classic and antique vehicles as at the date of this announcement from time to time; and (ii) the assignment by way of security dated 4 February 2019 created by the shareholder of the Borrower in favour of the Lender of all debts (excluding the HK\$15,000,000 debt to be repaid by the Borrower by utilising the Loan) owed by the Borrower to its shareholder from time to time, which amounts to approximately HK\$5.97 million as at 31 December 2019 as security for the due and punctual performance of the Borrower's obligations under the Loan Agreement

FUNDING OF THE LOAN

The Group financed the Loan with its internal resources.

INFORMATION OF THE BORROWER

The Borrower is wholly and beneficially owned by Mr. Yu Zhen Hua Johnny, a merchant and is principally engaged in the business of motor vehicles trading and provision of related services.

The Borrower and its ultimate beneficial owner, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, is an Independent Third Party.

INFORMATION OF THE GROUP

The Company was incorporated in Bermuda as an exempted company with limited liability. The Group is principally engaged in (i) hotel hospitality business, (ii) provision of money lending services, (iii) new energy business, (iv) trading and distribution of liquor and wine and (v) investments in funds.

REASONS AND BENEFITS FOR ENTERING INTO THE EXTENSION LETTER

The extension of the Loan Agreement will provide additional reasonable interest income to the Lender.

The Directors consider that the transactions contemplated under the Extension Letter are in ordinary and usual course of business of the Group and on normal commercial terms and the terms of the Extension Letter are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

On 30 September 2019, the Lender as lender and Mr. Yu Zhen Hua Johnny, the beneficial owner of the Borrower as borrower entered into the loan agreement (the "**HK\$4M Loan Agreement**"), pursuant to which the Lender granted a term loan in the principal amount of HK\$4 million (the "**HK\$4M Loan**") to Mr. Yu Zhen Hua Johnny on 30 September 2019.

As the extension of the date of repayment of the Loan and the HK\$4M Loan were granted to the Borrower and the beneficial owner of the Borrower respectively within a twelve-month period, the transactions under each of the Extension Letter and the HK\$4M Loan Agreement require aggregation under Rule 14.22 of the Listing Rules.

As one or more of the relevant applicable percentage ratios in respect of the extension of the date of repayment of the Loan and the grant of the HK\$4M Loan in aggregate are higher than 5% but less than 25%, the extension of the date of repayment of the Loan and the provision of HK\$4M Loan constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

By order of the Board
DeTai New Energy Group Limited
Wong Hin Shek
Chairman and Executive Director

Hong Kong, 3 February 2020

As at the date of this announcement, the executive Directors are Mr. Wong Hin Shek, Mr. Chi Chi Hung, Kenneth and Mr. Chan Wai Ki; the non-executive Directors are Mr. Chui Kwong Kau and Ms. Zhang Yudan; and the independent non-executive Directors are Mr. Chiu Wai On, Mr. Man Kwok Leung and Dr. Wong Yun Kuen.