

*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.*

*This announcement is for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of DeTai New Energy Group Limited.*



**DISCLOSEABLE TRANSACTION  
ACQUISITION OF 52% OF THE ISSUED SHARE CAPITAL OF THE  
TARGET COMPANY INVOLVING THE ISSUE OF  
CONVERTIBLE BONDS UNDER GENERAL MANDATE**

**THE SALE AND PURCHASE AGREEMENT**

The Board is pleased to announce that on 6 August 2021 (after trading hours), the Purchaser, a direct wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor and the Guarantor, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Target Shares (which represent 52% of the issued share capital of the Target Company) for the Consideration of HK\$185,201,000, which shall be satisfied by the issue of the Convertible Bonds in three tranches to the Vendor by the Company.

As at the date of this announcement, the Target Company is owned as to 52% and 48% by the Vendor and the BVI Shareholder, respectively. Upon the Completion, the Target Company will be owned as to 52% and 48% by the Purchaser and the BVI Shareholder, respectively, and will become an indirect subsidiary of the Company. As a result, the financial results of the Target Group will be consolidated into the consolidated financial statements of the Company.

**LISTING RULES IMPLICATION**

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

**Completion of the Acquisition is subject to fulfilment of the Conditions Precedent under the Sale and Purchase Agreement. As the Acquisition may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.**

## **INTRODUCTION**

The Board is pleased to announce that on 6 August 2021 (after trading hours), the Purchaser, a direct wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor and the Guarantor, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Target Shares (which represent 52% of the issued share capital of the Target Company). The Project Company is indirectly wholly-owned by the Target Company.

## **THE SALE AND PURCHASE AGREEMENT**

The principal terms of the Sale and Purchase Agreement are as follows:

Date                    6 August 2021 (after trading hours)

Parties                (i) EASY NICE HOLDINGS GROUP LIMITED (致成控股集團有限公司),  
as the Purchaser

(ii) RICH RITE LIMITED (廣禮有限公司), as the Vendor

(iii) Mr. Frank Wang, who is indirectly interested in 42% shareholding of the  
Target Company, as the Guarantor

As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor and its ultimate beneficial owners and the Guarantor are Independent Third Parties.

### **Subject matter**

Pursuant to the Sale and Purchase Agreement, the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Target Shares. The Target Shares represent 52% of the issued share capital of the Target Company as at the date of this announcement.

### **Consideration**

The Consideration for the Acquisition payable by the Purchaser is HK\$185,201,000, which shall be satisfied by issue of the Convertible Bonds in the following manners:

(i) HK\$46,300,250 by way of the issuance of the Tranche I Convertible Bond (the principal amount of which is equivalent to 25% of the aggregate principal amount of the Convertible Bonds) to the Vendor upon the Completion;

- (ii) subject to the Completion having taken place, HK\$46,300,250 by way of the issuance of Tranche II Convertible Bond (the principal amount of which is equivalent to 25% of the aggregate principal amount of the Convertible Bonds) to the Vendor within five Business Days (or such later date as may be agreed between the Purchaser and the Vendor) upon the receipt of written notice by the Purchaser from the Vendor of the commencement of construction work under the Natural Gas Project (the “**Natural Gas Project Construction**”) or upon the Completion (whichever is later); and
- (iii) HK\$92,600,500 by way of the issuance of Tranche III Convertible Bond (the principal amount of which is equivalent to 50% of the aggregate principal amount of the Convertible Bonds) to the Vendor within five Business Days (or such later date as may be agreed between the Purchaser and the Vendor) upon the receipt of written notice by the Purchaser from the Vendor of the commencement of lawful operation of natural gas substations and natural gas pipeline under the Natural Gas Project (the “**Natural Gas Project Operation**”).

### **Basis of the Consideration**

The Consideration was determined after arm’s length negotiations between the Vendor and the Company with reference to the future prospects of the Target Group. Further, as stated in the paragraph headed “The Sale and Purchase Agreement — Conditions Precedent” below, the Purchaser would obtain a valuation report (in the form and substance reasonably satisfactory to the Purchaser) from an independent professional valuer appointed by the Purchaser and the Completion shall be conditional on 52% of the aggregate of the valuation of 100% equity interests of the Project Company and the unaudited consolidated net asset value of the Target Group as at 30 June 2021 (assuming that the reorganisation of the Project Subsidiary as stated in (i) in the same paragraph has completed) being not less than the Consideration. If such a valuation report, once finalised, contains a profit forecast, the Company will issue further announcement(s) in compliance with Rules 14.60A and 14.62 of the Listing Rules.

Based on the aforesaid, the Directors are of the view that the Consideration is fair and reasonable and on normal commercial terms and that the entering into of the Sale and Purchase Agreement is in the interests of the Company and the Shareholders as a whole.

### **The Convertible Bonds**

The principal terms of the Convertible Bonds are summarised below:

Principal amount:	HK\$185,201,000 to be issued in three tranches: (i) Tranche I Convertible Bond in the amount of HK\$46,300,250; (ii) Tranche II Convertible Bond in the amount of HK\$46,300,250; and (iii) Tranche III Convertible Bond in the amount of HK\$92,600,500
Maturity date:	two years from the respective dates of issue of the Convertible Bonds
Interest rate:	the Convertible Bonds do not bear any interest

Conversion period:	the conversion into the Conversion Shares shall be made from the period commencing on the respective dates of issue of the Convertible Bonds and expiring on the respective maturity dates
Conversion Price:	<p>HK\$0.059 per Conversion Share, subject to adjustments by the adjustment provisions summarised below. The Conversion Price represents:</p> <ul style="list-style-type: none"> <li>(a) the closing price of HK\$0.059 per Share as quoted on Stock Exchange on the date of the Sale and Purchase Agreement;</li> <li>(b) a premium of approximately 6.88% over the average closing price of HK\$0.0552 per Share in the five consecutive trading days as quoted on the Stock Exchange immediately prior to the date of the Sale and Purchase Agreement; and</li> <li>(c) a premium of approximately 29.67% over the average closing price of HK\$0.0455 per Share in the ten consecutive trading days as quoted on the Stock Exchange immediately prior to the date of the Sale and Purchase Agreement.</li> </ul> <p>The Conversion Price was determined after arm's length negotiations between the Purchaser and the Vendor with reference to the prevailing market price and recent trading performance of the Shares.</p>
Conversion Shares:	Based on the Conversion Price of HK\$0.059, a maximum of 3,139,000,000 Conversion Shares will be issued, representing approximately 20.00% of the existing issued share capital of the Company as at the date of this announcement and approximately 16.67% of the Company's issued share capital as enlarged by the issue of the Conversion Shares.
Redemption at maturity:	Unless previously redeemed by the Company or converted for the Conversion Shares, at maturity, the Company shall be entitled to redeem the outstanding principal amount of the Convertible Bonds or require the holder(s) of the outstanding Convertible Bonds to exercise the conversion rights.
Transfer restrictions:	Holder(s) of the Convertible Bonds may freely transfer the Convertible Bonds to the transferee other than to connected person(s) of the Company subject to compliance with any applicable laws, rules and regulations, and with the prior written consent of the Company.

Any assignment or transfer of the Convertible Bonds shall be in respect of the whole or any part (in multiples of HK\$1,000,000) of the outstanding principal amount of the Convertible Bonds and the Company shall facilitate any such assignment or transfer of the Convertible Bonds.

Adjustments to the  
Conversion Price:

The Conversion Price shall from time to time be adjusted upon the occurrence of the following to the extent permitted under the General Mandate:

- (a) consolidation or subdivision of the Shares;
- (b) capitalisation of profits or reserves (other than in lieu of a cash dividend);
- (c) capital distribution to the Shareholders;
- (d) rights issues of the Shares or options over the Shares (at less than 80% of the current market price per Share);
- (e) rights issues of other securities by the Company; and
- (f) issue (other than as mentioned in (d) above), or issue or grant (otherwise as mentioned in (d) above) any options, warrants or other rights to subscribe for or purchase any Shares at a price per Share which is less than 80% of the current market price per Shares.

Events of default:

If any of the events specified below occurs, the Company shall on demand of a holder(s) of the Convertible Bonds forthwith redeem the Convertible Bonds and the outstanding principal amount of the Convertible Bonds become immediately payable by the Company:

- (a) the Company or any of its subsidiaries defaults in the performance of or observance of or compliance with any of its obligations under the Sale and Purchase Agreement or the Convertible Bonds which is incapable of being remedied or, if capable of being remedied, is not in the reasonable opinion of the holder(s) of the Convertible Bonds remedied within 14 Business Days after notice of such default is given to the Company by the holder of the Convertible Bonds;

- (b) the Company becomes insolvent or is incapable of repaying its debts when due or the Company consents to the appointment or is being appointed with a receiver, administrator or liquidator to take over the Company's undertaking, assets, properties or revenue in whole or in part, or undergoes reorganisation or delays in performance of its repayment obligation under any applicable laws or enters into a general assignment or compromise for any debt restructuring for the benefit of the creditors (as the case may be);
- (c) a resolution is passed or an order of a court of competent jurisdiction is made that the Company or any of its subsidiaries be wound up, dissolved, liquidated or all or majority of its assets be distributed, other than for the purpose of a consolidation, amalgamation, merger or reorganisation (as the case may be);
- (d) the Company is being wound up or liquidated;
- (e) any declaration, representation and warranty under the Convertible Bonds is or proves to have been incorrect or misleading in any material respect when made or deemed to be made, or there is a material breach by the Purchaser of any warranty or obligation under the Sale and Purchase Agreement;
- (f) any governmental authority or agency seizes, compulsorily purchases or expropriates all or a substantial part of the assets of the Company; or
- (g) it is or will become unlawful for the Company to perform or comply with any one or more of its obligations under the Convertible Bonds.

Application for listing:

No application will be made for the listing of the Convertible Bonds on the Stock Exchange or any other stock or securities exchange.

Application will be made by the Company for the listing of, and permission to deal in, the Conversion Shares. The Conversion Shares will be allotted and issued under the General Mandate.

Ranking:

The Conversion Shares shall rank *pari passu* with all other Shares in issue as at the date on which the Conversion Shares are issued and be entitled to all dividends and other distributions the record date of which falls on or after the date on which the Conversion Shares are issued.

## Conditions Precedent

Completion is conditional upon the fulfilment of the following conditions on or before the Long Stop Date:

- (a) completion of due diligence in respect of the Target Group (including due diligence relating to legal and financial matters) by the Purchaser to the satisfaction of the Purchaser;
- (b) the Project Company having obtained all necessary consent, licences and approvals (including consent or approval for commencement of construction work or reply to application for commencement of construction work from the local government authorities) to commence the construction work under the Natural Gas Project (based on the opinion of a qualified PRC lawyer appointed by the Purchaser in respect of the transactions contemplated under the Sale and Purchase Agreement) (the “**Natural Gas Project Permits**”);
- (c) all necessary consents, licences and approvals required to be obtained on the part of the Vendor and members of the Target Group in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder have been obtained and remain in full force and effect;
- (d) all necessary consents, licences and approvals required to be obtained on the part of the Purchaser in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder have been obtained and remain in full force and effect;
- (e) the representations and warranties given by the Vendor and the Guarantor have remained true and accurate in all respects and not misleading;
- (f) the Purchaser having obtained a PRC legal opinion (in the form and substance to the reasonable satisfaction of the Purchaser) from a qualified PRC lawyer appointed by the Purchaser in respect of the transactions contemplated under the Sale and Purchase Agreement, the contents of which shall include but are not limited to the due incorporation and subsistence of Beijing WFOE, Project Company and Project Subsidiary and the legality and validity of the sale and purchase of assets in the PRC as contemplated under the Sale and Purchase Agreement;
- (g) the Purchaser having obtained a valuation report (in the form and substance reasonably satisfactory to the Purchaser) from an independent professional valuer appointed by the Purchaser showing the valuation of 100% equity interests of the Project Company (the “**Project Company Valuation**”), and that 52% of the aggregate of the Project Company Valuation and the unaudited consolidated net asset value of the Target Group as at 30 June 2021 (assuming that the reorganisation of the Project Subsidiary as stated in (i) below has completed) is not less than the Consideration (being HK\$185,201,000);
- (h) the Target Group having successfully obtained a loan in the amount of not less than RMB150,000,000 to support the construction and/or operation of the Natural Gas Project and the terms and conditions of such loan shall be agreed in advance by the Purchaser in writing;



- (i) completion of the reorganisation of the Project Subsidiary, including all necessary governmental approval, filing and permits having been obtained and/or completed. After the reorganisation, the Project Company shall not hold any equity interests in the Project Subsidiary;
- (j) the Purchaser being reasonably satisfied that there has not been any material adverse change on any member of the Target Group (save for the reorganisation of the Project Subsidiary as stated in (i) above) since the date of the Sale and Purchase Agreement; and
- (k) the Stock Exchange granting or agreeing to grant the approval for the listing of and permission to deal in the Conversion Shares.

### **The Vendor's undertaking**

Pursuant to the Sale and Purchase Agreement, the Vendor undertakes, among other things, that:

- (i) the Project Company will obtain the Natural Gas Project Permits on or before 31 December 2021;
- (ii) the Project Company will commence the Natural Gas Project Construction on or before 31 December 2021; and
- (iii) the Natural Gas Project Operation will commence on or before 1 June 2022.

### **The Purchaser's undertaking**

Pursuant to the Sale and Purchase Agreement, the Purchaser undertakes that, on the condition that the commencement of construction and the operation of the Natural Gas Project are not affected, the Purchaser will procure the Project Company to transfer the interests of the Excluded Projects to the Vendor.

### **Completion**

Completion shall take place within five business days after the date of fulfilment of the Conditions Precedent (or such later date as the Purchaser and the Vendor may agree).

Upon the Completion, the Company will indirectly hold a total of 52% of the issued share capital of the Target Company. As a result, the financial results of the Target Group will be consolidated into the consolidated financial statements of the Company.

## **INFORMATION ON THE GROUP, THE PURCHASER AND THE VENDOR**

### **The Group and the Purchaser**

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.



The Purchaser, a direct wholly-owned subsidiary of the Company, is a company incorporated in the BVI with limited liability on 8 July 2021. The Purchaser is an investment holding company and it will hold 52% interest in the Target Company upon the Completion.

### **The Vendor**

The Vendor is a company incorporated in the BVI with limited liability on 27 November 2020. The principal business of the Vendor is investment holding and the only asset directly held by the Vendor as at the date of this announcement is 52% interest in the Target Company.

### **INFORMATION ON THE GUARANTOR**

The Guarantor is indirectly interested in 42% of the shareholding of the Target Company. He is also a director of the Vendor and the sole director of the Target Company.

### **INFORMATION ON THE TARGET GROUP**

The Target Company is a company incorporated under the laws of Hong Kong on 18 December 2020. The Target Company is principally engaged in investment holding.

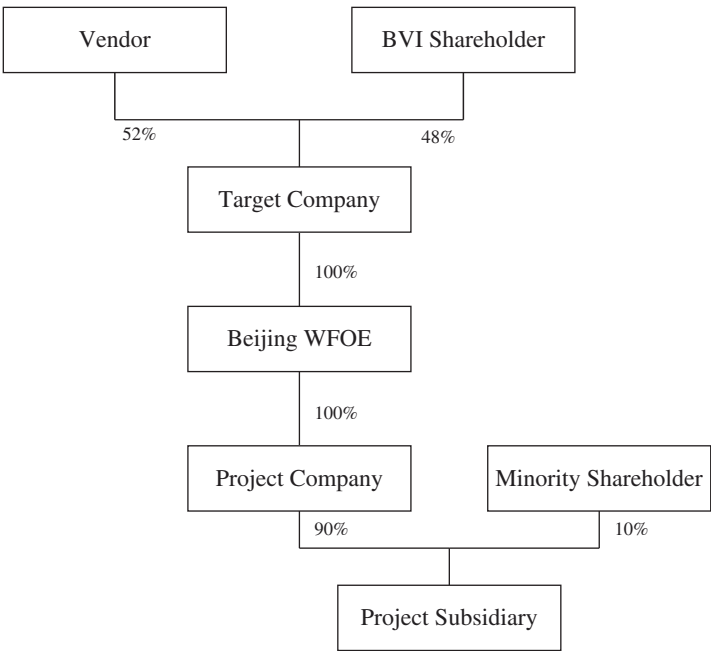
As at the date of this announcement, (i) the Target Company is owned as to 52% and 48% by the Vendor and the BVI Shareholder, respectively; and (ii) to the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the BVI Shareholder and its ultimate beneficial owner are Independent Third Parties.

Beijing WFOE is a company established under the laws of the PRC with limited liability on 9 April 2020 and indirectly wholly owned by the Target Company. Beijing WFOE is principally engaged in investment holding.

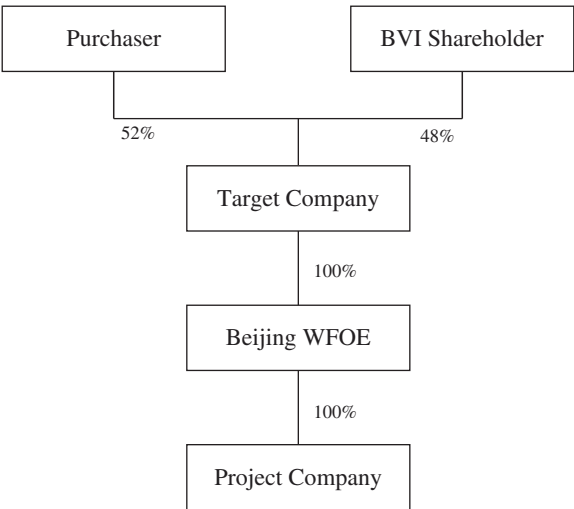
The Project Company is a company established under the laws of the PRC with limited liability on 22 February 2019 and indirectly wholly owned by the Target Company. The Project Company is principally engaged in the construction of long-distance natural gas pipelines and the sale and supply of natural gas. The Project Company is engaged in the Natural Gas Project, which involves the proposed construction and operation of natural gas substations (the “**Gas Stations**”) and a natural gas pipeline of approximately 27 km long (the “**Pipeline**”) across Wei County, Xingtai City, Hebei Province. The construction of the Gas Stations and the Pipeline is expected to be completed by the end of 2021. As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Project Company has (i) obtained approval in principle from Hebei Provincial Development and Reform Commission for the construction and operation of the Gas Stations and the Pipeline; (ii) entered into a letter of intent with the Hebei natural gas sales centre of a branch company of China Petroleum & Chemical Corporation (中國石油化工股份有限公司) for the supply of natural gas of up to 2.5 billion cubic metres per year for a period of 20 years; and (iii) entered into letters of intent with other customers for the supply of natural gas.

**Shareholding structure of the Target Group**

Set out below is the shareholding structure of the Target Group as at the date of this announcement:



Set out below is the shareholding structure of the Target Group immediately following the Completion:



## Financial information of the Target Group

Set out below is a summary of the financial information of the Target Group for the year ended 31 December 2020 and the six months ended 30 June 2021:

	<b>For the six months ended 30 June 2021 <i>HK\$'000</i> (unaudited)</b>	<b>For the year ended 31 December 2020 <i>HK\$'000</i> (unaudited)</b>
Revenue	—	—
Loss before taxation	2,739	3,174
Loss after taxation	2,739	3,174

As at 30 June 2021, the unaudited net liabilities of the Target Group was approximately HK\$6 million.

## GENERAL MANDATE TO ISSUE THE CONVERSION SHARES

The Conversion Shares will be issued and allotted under the General Mandate. The General Mandate entitles the Directors to issue, allot and deal with up to 3,139,106,340 Shares, representing 20% of the issued share capital of the Company as at the date of the AGM. Since the date of the AGM and up to and including the date of this announcement, no Shares have been allotted and issued under the General Mandate.

Accordingly, the General Mandate is sufficient for the allotment and issue of the Conversion Shares and the allotment and issue of the Conversion Shares is not subject to approval of the Shareholders.

## EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 15,695,531,700 Shares in issue. Assuming there are no other changes to the issued share capital of the Company, the following table sets out the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately following issue of the Tranche I Convertible Bond and assuming full conversion of the Tranche I Convertible Bond into Conversion Shares; (iii) immediately following issue of the Tranche II Convertible Bond and assuming full

conversion of the Tranche I Convertible Bond and Tranche II Convertible Bond into Conversion Shares; and (iv) immediately following issue of the Tranche III Convertible Bond and assuming full conversion of all Convertible Bonds issued into Conversion Shares:

Shareholders	As at the date of this announcement		Immediately following issue of the Tranche I Convertible Bond and assuming full conversion of the Tranche I Convertible Bond into Conversion Shares		Immediately following issue of the Tranche II Convertible Bond and assuming full conversion of the Tranche I Convertible Bond and Tranche II Convertible Bond into Conversion Shares		Immediately following issue of the Tranche III Convertible Bond and assuming full conversion of all Convertible Bonds issued into Conversion Shares	
	Number of Shares	Approximate	Number of Shares	Approximate	Number of Shares	Approximate	Number of Shares	Approximate
Tong Liang	4,404,651,375	28.06%	4,404,651,375	26.73%	4,404,651,375	25.51%	4,404,651,375	23.39%
The Vendor	0	0.00%	784,750,000	4.76%	1,569,500,000	9.09%	3,139,000,000	16.67%
Public Shareholder	11,290,880,325	71.94%	11,290,880,325	68.51%	11,290,880,325	65.40%	11,290,880,325	59.94%
<b>Total</b>	<b>15,695,531,700</b>	<b>100.00%</b>	<b>16,480,281,700</b>	<b>100.00%</b>	<b>17,265,031,700</b>	<b>100.00%</b>	<b>18,834,531,700</b>	<b>100.00%</b>

*Note:* The percentages above are subject to rounding adjustments, if any.

## REASONS FOR AND BENEFITS OF THE ACQUISITION

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. As disclosed in the Company's interim report for the six months ended 31 December 2020, the Group derived its revenue mainly from the hotel hospitality business, which contributed approximately 76.11% of the Group's revenue for the six months ended 31 December 2020. Taking into account the outbreak of COVID-19 which has caused a global economic downturn and the continued travel restrictions, the Board considers that the challenges towards the hotel hospitality business will remain and there is a need for the Group to identify investment opportunities to diversify the Group's business to maintain stable return to the Shareholders while facing the numerous uncertainties in the current economic environment.

On the other hand, with rising public awareness of environmental protection, the PRC government has introduced policies to promote the use of clean energy, in particular, the use of natural gas in replacement of coal in some regions with acute problem of air pollution, including the Hebei Province. The Target Group, through the Project Company, is principally engaged in the construction of long-distance natural gas pipelines and the sale and supply of natural gas in the Hebei Province. As at the date of the Sale and Purchase Agreement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Project Company has entered into a letter of intent with the Hebei natural gas sales centre of a branch company of China Petroleum & Chemical Corporation for the supply of natural gas of up to 2.5 billion cubic metres per year for a period of 20 years, as well as letters of intent with other customers for the supply of natural gas. In view of the above, the Board believes that the Acquisition will enable the Group to venture into the natural gas business in the PRC and diversify its existing business portfolio and broaden its revenue base under the current challenging environment.

Furthermore, as the Consideration is satisfied through the issue of the Convertible Bonds, there is no immediate cashflow burden on the Group.

Therefore, the Board considers that the terms and conditions of the Sale and Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms and the Acquisition is fair and reasonable and in the interests of the Group and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcements requirement under Chapter 14 of the Listing Rules.

**Completion of the Acquisition is subject to fulfilment of the Conditions Precedent under the Sale and Purchase Agreement. As the Acquisition may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Acquisition”	the proposed acquisition of the Target Shares pursuant to the terms and conditions of the Sale and Purchase Agreement
“AGM”	the annual general meeting of the Company held on 4 December 2020
“Beijing WFOE”	Beijing Shengdaqichen Technology Co., Ltd.* (北京盛達啟辰科技有限公司), a company established under the laws of the PRC with limited liability on 9 April 2020 and indirectly wholly owned by the Target Company
“Business Day(s)”	a day (excluding Saturday, Sunday, public holiday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business throughout their normal business hours
“BVI”	the British Virgin Islands

“BVI Shareholder”	Bitcarbon Development Limited, a company incorporated in the BVI with limited liability on 16 April 2021 and the beneficial owner of 48% of the issued share capital of the Target Company
“Company”	DeTai New Energy Group Limited (德泰新能源集團有限公司), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange (stock code: 559)
“Completion”	completion of the Acquisition in accordance with the Sale and Purchase Agreement
“Conditions Precedent”	the conditions precedent to the Completion, as more particularly set out under the paragraph headed “The Sale and Purchase Agreement — Conditions Precedent” in this announcement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of HK\$185,201,000 for the Acquisition
“Conversion Price”	the conversion price of HK\$0.059 per Conversion Share of the Convertible Bonds (subject to adjustment as set out in and in accordance with the terms and conditions of the Convertible Bonds)
“Conversion Shares”	a maximum of 3,139,000,000 new Shares to be allotted and issued by the Company upon conversion of the Convertible Bonds at the Conversion Price
“Convertible Bonds”	collectively, the Tranche I Convertible Bond, Tranche II Convertible Bond and Tranche III Convertible Bond
“COVID-19”	novel coronavirus (COVID-19), a coronavirus identified as the cause of an outbreak of respiratory illness
“Directors”	the directors of the Company
“Excluded Project(s)”	project(s) involving the supply of natural gas other than the Natural Gas Project
“General Mandate”	the mandate granted to the Directors by the Shareholders at the AGM to issue, allot and deal with up to 20% of the issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries

“Guarantor”	Mr. Frank Wang, being the guarantor of the Vendor under the Sale and Purchase Agreement
“Hebei Province”	Hebei Province of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) independent of and not connected with the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended by the Stock Exchange from time to time
“Long Stop Date”	the 30th day from the date of the Sale and Purchase Agreement, or such later date as may be agreed by the Purchaser and the Vendor
“Minority Shareholder”	Weixian Weizhou Urbanisation Construction Investment Group Limited* (威縣威州城鎮化建設投資集團有限公司), an Independent Third Party
“Natural Gas Project”	the proposed construction and operation of natural gas substations and a natural gas pipeline of approximately 27 km long in Xingtai City, Hebei Province, by the Project Company
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excludes Hong Kong, Taiwan and the Macau Special Administrative Region of the People’s Republic of China
“Project Company”	Hebei Dingsen Natural Gas Company Limited* (河北鼎森天然氣有限公司), a company established under the laws of the PRC with limited liability on 22 February 2019 and indirectly wholly owned by the Target Company
“Project Subsidiary”	Xingtai Weineng Gas Company Limited* (邢台威能燃氣有限公司), a company established under the laws of the PRC with limited liability on 15 December 2020 and indirectly owned as to 90% by the Target Company as at the date of this announcement and immediately prior to completion of the reorganisation of the Project Subsidiary as stated in (i) in the paragraph headed “The Sale and Purchase Agreement — Conditions Precedent”



“Purchaser”	EASY NICE HOLDINGS GROUP LIMITED (致成控股集團有限公司), a company incorporated in the BVI with limited liability on 8 July 2021, a direct wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 6 August 2021 entered into among the Purchaser, the Vendor and the Guarantor in relation to the Acquisition
“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Power Gas (Hong Kong) Limited (鼎森燃氣(香港)有限公司), a company incorporated under the laws of Hong Kong on 18 December 2020
“Target Group”	the group of companies comprising the Target Company and its subsidiaries
“Target Shares”	52 ordinary shares in the Target Company, representing 52% of the issued share capital of the Target Company as at the date of this announcement
“Tranche I Convertible Bond”	the convertible bond in the principal amount of HK\$46,300,250 to be issued by the Company at the Conversion Price to the Vendor for satisfying part of the Consideration, with nil interest for a conversion period of two years from the date of issue
“Tranche II Convertible Bond”	the convertible bond in the principal amount of HK\$46,300,250 to be issued by the Company at the Conversion Price to the Vendor for satisfying part of the Consideration, with nil interest for a conversion period of two years from the date of issue
“Tranche III Convertible Bond”	the convertible bond in the principal amount of HK\$92,600,500 to be issued by the Company at the Conversion Price to the Vendor for satisfying part of the Consideration, with nil interest for a conversion period of two years from the date of issue

“Vendor”

RICH RITE LIMITED (廣禮有限公司), a company incorporated in the BVI with limited liability on 27 November 2020, which is ultimately beneficially owned as to 42% by the Guarantor

“%”

per cent.

\* *For identification purposes only*

By order of the Board  
**DeTai New Energy Group Limited**  
**Eric Todd**  
*Chairman and Executive Director*

Hong Kong, 9 August 2021

*As at the date of this announcement, the executive Directors are Mr. Eric Todd (Chairman) and Mr. Liu Shihao; and the independent non-executive Directors are Mr. Chiu Wai On, Mr. Man Kwok Leung and Mr. Sheung Kwong Cho.*