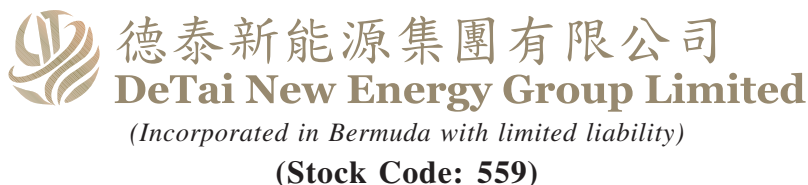


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BUSINESS UPDATE

NEW DISTRIBUTOR IN THE UAE OF NEW ENERGY BUSINESS

This announcement is made by DeTai New Energy Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to keep the shareholders and potential investors of the Company informed of the latest business development of the Group.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that Emission Particle Solution Sweden AB (“**EPS**”), an indirectly wholly-owned subsidiary of the Company has entered into a distribution agreement with Enlightco Safety LLC in marketing and distribution of EuroAd in the United Arab Emirates (the “**UAE**”), pursuant to which Enlightco Safety LLC will be the local distributor of EuroAd in the UAE in 2017. EuroAd is the core biofuel products of EPS, a totally biodegradable vegetable additive which catalyses the combustion process in both fossil and biofuels to achieve fuller fuel efficiency and cost savings with enhanced fuel performance.

The UAE is the seventh largest oil producer in the world. In 2016, the UAE had an average petroleum and other liquids production of approximately 3.7 million barrels per day. The UAE has one of the highest rates of per capita energy consumption in the world. The territory of the UAE has massive potential of EuroAd consumption. The Board believes that the unique quality of EuroAd of being able to reduce environmental impact and fuel consumption will capture a significant market share in the UAE.

Enlightco Safety LLC is based in Abu Dhabi, the capital of the UAE, and one of its business scopes is the distribution of safety products to major national companies within the oil and gas industry in the UAE.

EPS's current sales markets include China, Sweden, Austria, Germany, India and Argentine Republic. With the addition of the UAE to EPS's global sales coverage, the Board is confident that the entry to the Middle East market together with the support from the local distributor, will accelerate EPS's global sales and continue to generate diversified source of income to the Group.

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

Hong Kong, 6 June 2017

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