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*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 559)**

## **DISCLOSEABLE TRANSACTION RELATING TO THE PROVISION OF LOAN**

The Board announces that on 5 December 2017, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to lend a loan of HK\$40,000,000 to the Borrower for a term of eleven (11) calendar months from the date of drawdown at an interest rate of 10% per annum.

As one or more of the relevant applicable percentage ratios in respect of the Loan are higher than 5% but less than 25%, the provision of the 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.

### **THE LOAN AGREEMENT**

- Date** : 5 December 2017
- Lender** : DeTai Finance Limited, an indirect wholly-owned subsidiary of the Company
- Borrower** : The Borrower, who, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, is an Independent Third Party.

## **Principal terms of the Loan Agreement**

- Amount of the Loan** : HK\$40,000,000
- Purpose of the Loan** : The Loan shall only be used by the Borrower for general working capital PROVIDED ALWAYS that the Loan (neither in whole nor in part) shall not be used for the purposes of acquiring or maintaining any securities issued by a company the issued shares of which are listed on any stock exchange (including but not limited the Stock Exchange)
- Term** : Eleven (11) calendar months from the date of drawdown
- Interest** : 10% per annum payable on the maturity date of the Loan. Such interest shall be calculated on the actual number of days elapsed and on the basis of a 365-day year.
- 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 10% per annum. Such interest shall be calculated on the actual number of days elapsed and on the basis of a 365-day year.
- Repayment** : The outstanding principal amount of the Loan shall be repaid in one lump sum on the date falling eleven (11) calendar months from the date of drawdown.
- Prepayment** : The Loan may be prepaid in whole or in part, without prepayment penalty, with 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** : A share charge over the Securities created by the Borrower in favour of the Lender as security for the Loan.
- Covenants** : The Borrower has covenanted to the Lender that he will not, without the prior written consent of the Lender:
- (1) create or attempt to create or permit to subsist any encumbrance over or affecting the Securities; or
  - (2) enter into, nor agree to enter into, a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer, assign or otherwise dispose of the Securities.

Based on the closing price of HK\$0.385 per share of the Securities as quoted on the Stock Exchange on the date of this announcement, the total value of Securities as at the date of this announcement is approximately HK\$69,554,000.

The terms of the Loan Agreement were arrived at after arm's length negotiations between the Lender and the Borrower with reference to the commercial practice and the share charge as well as the covenants given by the Borrower as disclosed above. The Lender is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of money lending service.

The Loan will be funded from internal resources of the Group.

### **Information on the Group**

The Group is principally engaged in new energy business, hotel hospitality business, provision of money lending services, manufacturing and trading of electric cycles, trading and distribution of liquor and wine, and investments in listed securities and funds.

### **Reasons for provision of the Loan**

The provision of the Loan will provide reasonable interest income to the Lender and the Loan will be recorded as loan receivables of the Group.

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

### **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the relevant applicable percentage ratios in respect of the provision of the Loan are higher than 5% but less than 25%, the provision of the 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.

### **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Borrower”	a company incorporated in the British Virgin Islands
“Company”	DeTai New Energy Group Limited, a company incorporated in Bermuda with limited liability whose issued Shares are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) who are third parties independent of and not connected with the Group and its connected persons in accordance with the Listing Rules
“Lender”	DeTai Finance Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the term loan in the amount of HK\$40,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 5 December 2017 entered into between the Lender and the Borrower relating to the granting of the Loan
“Securities”	180,659,755 ordinary shares of HK\$0.001 each in Pacific Plywood Holdings Limited (Stock Code: 767)
“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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

Hong Kong, 5 December 2017

*As at the date of this announcement, the executive Directors are Mr. Wong Hin Shek, Mr. Chi Chi Hung, Kenneth, Mr. Shek Yat Him and Mr. Chan Wai Ki; 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.*