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*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 559)**

## **UPDATE ON THE DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITION OF THE ENTIRE SHARE CAPITAL OF EMISSION PARTICLE SOLUTION SWEDEN AB**

References are made to the announcements of DeTai New Energy Group Limited (the “**Company**”) dated 12 June 2016, 30 June 2016, 29 July 2016 and 29 October 2016 in respect of the discloseable transaction in relation to the acquisition of the entire share capital of Emission Particle Solution Sweden AB (the “**Target Company**”) and the announcement of the Company dated 22 December 2016 (the “**Supplemental Agreement Announcement**”) in relation to the supplement agreement (the “**Supplemental Agreement**”) in respect to the post completion adjustment mechanism. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Supplemental Agreement Announcement.

As disclosed in the Supplemental Agreement Announcement, the balance of the Consideration shall be a maximum amount of SEK137,800,000 (the “**Balance**”), which shall be subject to the post completion adjustment mechanism pursuant to the terms of the Supplemental Agreement.

In accordance with the Supplemental Agreement, the Balance shall be adjusted in accordance with the formula as below:

$$X = \text{Balance} \times \text{NPAT} / \text{SEK}30,000,000$$

Where:

X = the amount of the Balance after being adjusted in accordance with the formula set out above (the “**Adjusted Balance**”)

NPAT = the net profit after tax of the Target Company forecasted for the period from 1 January 2017 to 31 December 2017 by way of the agreements and/or orders as determined by the Purchaser

The Board announces that based on the signed agreements and/or orders determined by the Purchaser, the Target Company would record a net loss after tax for the year ended 31 December 2017. Pursuant to the terms of the Sale and Purchase Agreement (as amended and supplemented by the Supplemental Agreement), neither the Purchaser nor the Company shall be obligated to pay the Balance or the Adjusted Balance or any part thereof in accordance with the terms of the Sale and Purchase Agreement (as amended and supplemented by the Supplemental Agreement).

The Company is now in the course of negotiation with a connected person of the Company at subsidiary level, who is a director of certain subsidiaries of the Group (the “**Potential Purchaser**”), for the possible disposal of all or part of the equity interests in the Target Group (the “**Possible Disposal**”). If a formal sale and purchase agreement is entered into between the Group and the Potential Purchaser, the transaction may constitute a notifiable transaction and an exempted connected transaction of the Company under the Listing Rules. Further announcement(s) will be made by the Company in accordance with the Listing Rules as and when appropriate and the Company will comply with all relevant requirements under the Listing Rules in due course.

**Shareholders and potential investors of the Company should note that no formal and legally binding agreement in relation to the Possible Disposal has been entered into as at the date of this announcement. Accordingly, the Possible Disposal may or may not materialise. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.**

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

Hong Kong, 15 February 2018

*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.*