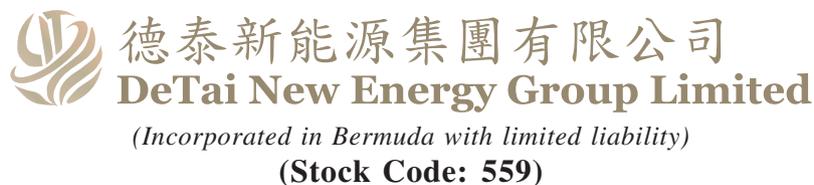


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**TERMINATION OF THE AMENDED AND  
RESTATED JV AGREEMENT IN RELATION  
TO THE FORMATION OF A JOINT VENTURE  
WITH ZHONGKE INTERNATIONAL CAPITAL  
AND  
CHANGE IN USE OF PROCEEDS FROM RIGHTS ISSUE**

**TERMINATION OF THE AMENDED AND RESTATED JV AGREEMENT**

Reference is made to the announcements of DeTai New Energy Group Limited (the “**Company**”) dated 5 June 2017, 14 July 2017, 18 August 2017 and 14 November 2017 in respect of the formation of a joint venture company with Zhongke International Capital (the “**Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise stated.

As disclosed in the Announcements, Rich Express, a wholly-owned subsidiary of the Company and Zhongke International Capital entered into the Amended and Restated JV Agreement on 14 July 2017 (as amended and supplemented on 14 November 2017) in relation to the formation of the JV Company and to provide a facility in an aggregate amount of HK\$400,000,000 to the JV Company. The JV Company was incorporated in Hong Kong with limited liability on 11 August 2017. As the JV Company has been incorporated for more than a year and no suitable projects or investment opportunities has been identified by the JV Company since its incorporation, Zhongke International Capital has expressed its will to discontinue the joint venture. After negotiations and discussions with Zhongke International Capital regarding the possibility to discontinue the joint venture, Rich Express and Zhongke International Capital have agreed to terminate the Amended and Restated JV Agreement.

The Board announces that on 17 January 2019, Rich Express and Zhongke International Capital entered into a deed of termination (the “**Termination Deed**”) to terminate the Amended and Restated JV Agreement.

Since Rich Express has made some payments for and on behalf of the JV Company, as at the date of the announcement, the JV Company is indebted to Rich Express in the amount of HK\$691,240.95 (the “**Total Outstanding Sum**”).

Pursuant to the Termination Deed, (i) all of the terms and conditions of the Amended and Restated JV Agreement shall cease to have any further effect and each of the parties shall be released from all responsibilities and obligations under the Amended and Restated JV Agreement with effect from the date of the Termination Deed and neither party would have any claims against the other as a result of the termination of the Amended and Restated JV Agreement; (ii) Zhongke International Capital shall, for and on behalf of the JV Company, repay Rich Express 51% of the Total Outstanding Sum in the amount of HK\$352,532.88 within 3 months after the date of the Termination Deed (“**Zhongke Sum**”) and after such repayment has been made by Zhongke International Capital, enter into a deed of waiver in favour of the JV Company for the waiver of the Zhongke Sum and any other sums owing by the JV Company to Zhongke International Capital; (iii) after the repayment in (ii) above has been made by Zhongke international Capital, Rich Express shall enter into a deed of waiver in favour of the JV Company to waive 49% of the Total Outstanding Sum in the amount of HK\$338,708.07 and any other sums owing by the JV Company to Rich Express; and (iv) the parties to the Termination Deed would proceed with the winding up/deregistration of the JV Company after the termination of the Amended and Restated JV Agreement and the cost in relation to the winding up/deregistration of the JV Company shall be payable by Rich Express and Zhongke International Capital in proportion to the respective shareholding in the JV Company.

The Board is of the view that the terms of the Termination Deed are fair and reasonable and are in the interests of the Company and its Shareholders as a whole. The Board considers that the termination of the Amended and Restated JV Agreement has no material adverse impact on the existing business operations of the Group.

## **CHANGE IN USE OF PROCEEDS FROM RIGHTS ISSUE**

References are made to the prospectus (the “**Prospectus**”) of the Company dated 21 May 2018 in relation to the issue of the rights shares by way of rights on the basis of two rights shares for every one existing share of the Company (the “**Rights Issue**”).

As disclosed in the Prospectus, the Company intended to apply net proceeds of approximately HK\$196.0 million for the contribution to the facility to be made available to the JV Company.

In view of the termination of the Amended and Restated JV Agreement, the Board resolved to reallocate the net proceeds in the amount of approximately HK\$196.0 million which was originally planned for the contribution to the facility to be made available to the JV Company to fund other future investment opportunities (which may include acquisition of office premises for the Group’s own use or rental purposes), and/or expansion of the Group’s money lending business and/or general working capital of the Group. Save for the aforesaid, the use of proceeds from the Rights Issue as stated in the Prospectus and the announcement of the Company dated 10 August 2018 remains unchanged.

In light of the above, the Directors consider that the above change in the use of the proceeds from the Rights Issue will allow the Company to facilitate efficient use of its financial resources. The Directors are also of the view that such change is fair and reasonable and is in the interest of the Company and its Shareholders as a whole.

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

Hong Kong, 17 January 2019

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