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(Incorporated in Bermuda with limited liability)

(Stock Code: 559)

DISCLOSEABLE TRANSACTION RELATING TO THE PROVISION OF THE LOAN

The Board announces that on 4 February 2019, 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 the Loan of HK\$15,000,000 to the Borrower for a term from the date of drawdown (which is 4 February 2019) to 3 February 2020 at an interest rate of 5.5% per annum.

As the Existing Loan and the Loan were granted to the beneficial owner of the Borrower and the Borrower respectively within a twelve-month period, the transactions under each of the Existing Loan Agreement and the Loan Agreement require aggregation under Rule 14.22 of the Listing Rules.

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

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THE LOAN AGREEMENT

Date: 4 February 2019

Lender: DeTai Finance Limited, an indirect wholly-owned subsidiary of the Company

Borrower: The Borrower, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, is an Independent Third Party. The Borrower is principally engaged in the business of motor vehicles trading and provision of related services.

Principal terms of the Loan Agreement

Amount of the Loan: HK\$15,000,000

Term: From the date of drawdown (which is 4 February 2019) to 3 February 2020

Interest: 5.5% per annum

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 5.5 per cent. (5.5%) per annum. Such interest shall be calculated on the actual number of days elapsed and on the basis of a 365-day year

Purpose: The Loan shall be used for partial repayment in the amount of HK\$15,000,000 of a shareholder's loan owing by the Borrower to its shareholder

Repayment: The outstanding principal amount of the Loan shall be repaid on 3 February 2020. The accrued interest of the Loan shall be repaid on the date of repayment

Prepayment: The Loan may be prepaid in whole or in part together with the 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: (i) the first floating charge dated 4 February 2019 created by the Borrower in favour of the Lender in the inventory of the Borrower which consists of over 20 classic and antique vehicles as at the date of this announcement from time to time; and (ii) the assignment by way of security dated 4 February 2019 created by the shareholder of the Borrower in favour of the Lender of all debts (excluding the HK\$15,000,000 debt to be repaid by the Borrower by utilising the Loan) owed by the Borrower to its shareholder from time to time, which amounts to approximately HK\$4.5 million as at the date of this announcement as security for the due and punctual performance of the Borrower's obligations under the Loan Agreement

The terms of the Loan Agreement were arrived at after arm's length negotiations between the Lender and the Borrower with reference to the financial background, repayment ability of the Borrower and the value of the vehicles in the inventory of the Borrower. 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 was funded from internal resources of the Group.

INFORMATION ON THE GROUP

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 securities and funds.

REASONS FOR AND BENEFITS OF THE 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 receivable 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 the Existing Loan and the Loan were granted to the beneficial owner of the Borrower and the Borrower respectively within a twelve-month period, the transactions under each of the Existing Loan Agreement and the Loan Agreement require aggregation under Rule 14.22 of the Listing Rules.

As one or more of the relevant applicable percentage ratios in respect of the provision of the Loan (as aggregated with the Existing Loan) are higher than 5% but less than 25%, the provision of the Loan (as aggregated with the Existing 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 Hong Kong with limited liability who is an Independent Third Party
“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”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Loan”	the term loan in the amount of HK\$16,800,000 granted by the Lender to the beneficial owner of the Borrower pursuant to the terms of the Existing Loan Agreement
“Existing Loan Agreement”	the loan agreement dated 26 September 2018 entered into between the Lender and the beneficial owner of the Borrower relating to the granting of the Existing Loan, details of which are set out in the announcement of the Company dated 26 September 2018
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong
“Hong Kong”	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) 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\$15,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 4 February 2019 entered into between the Lender and the Borrower relating to the granting of the Loan
“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of 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, 4 February 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.