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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 24 March 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\$51,350,000 to the Borrower for a term of one year from the date of drawdown (which shall be 25 March 2019) to 24 March 2020 at an interest rate of 8% per annum.

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.

Reference is made to the announcements of the Company dated 26 June 2018 and 21 December 2018 relating to the provision of the loans under the First Loan Agreement and the Second Loan Agreement and the extension of the repayment date of the loan under the First Loan Agreement.

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THE LOAN AGREEMENT

Date: 24 March 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.

Principal terms of the Loan Agreement

Amount of the Loan: HK\$51,350,000

Term: One year from the date of drawdown (which shall be 25 March 2019) to 24 March 2020

Interest: 8% 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 8 per cent. (8%) 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 Borrower shall repay (i) HK\$16,000,000 of the principal amount of the Loan together with all then outstanding interest accrued on the Loan and all other monies payable and outstanding under the Loan Agreement on the 1st Repayment Date; and (ii) HK\$35,350,000 of the principal amount of the Loan together with all then outstanding interest accrued on the Loan and all other monies payable and outstanding under the Loan Agreement on the 2nd Repayment Date.

Prepayment: The Borrower may at any time during the term of the Loan prepay the Loan in full together with the accrued interest by giving prior written notice to the Lender before the 1st Repayment Date and/or the 2nd Repayment Date.

Intended use of the Loan: The Loan shall only be used by the Borrower to settle the outstanding principal amounts of the loans under the First Loan Agreement and the Second Loan Agreement. After the drawdown of the Loan, there will be no outstanding loans under the First Loan Agreement and the Second Loan Agreement.

Security:

(i) A post-dated cheque dated 24 September 2019 in the sum of HK\$18,070,882 and a post-dated cheque dated 24 March 2020 in the sum of HK\$36,760,126 drawn on a licensed bank in Hong Kong for repayment of the relevant principal amount of the Loan and accrued interest due on the 1st Repayment Date and the 2nd Repayment Date respectively; and (ii) the personal guarantee executed by the Guarantor in favour of the Lender to guarantee the performance and observance of the obligations of the Borrower 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 outstanding principal amounts of the loans under the First Loan Agreement and the Second Loan Agreement, the financial capacity and repayment ability of the Borrower and the personal guarantee aforementioned. 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. As the Loan is used for the repayment of the outstanding principal amounts of the loans under the First Loan Agreement and the Second Loan Agreement, no additional financial resources are required from 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 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 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:

“1st Repayment Date”	the date falling six (6) calendar months from the date of drawdown
“2nd Repayment Date”	the date falling twelve (12) calendar months from the date of drawdown
“Board”	the board of Directors
“Borrower”	a company incorporated in Bermuda with limited liability who is an Independent Third Party. For details of the Borrower, please refer to the announcements of the Company dated 26 June 2018 and 21 December 2018.
“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
“First Loan Agreement”	the loan agreement dated 15 June 2018 entered into between the Lender and the Borrower relating to the granting of the loan in the principal amount of HK\$18,750,000
“Group”	the Company and its subsidiaries
“Guarantor”	a natural person who is an Independent Third Party and an associate of the controlling shareholder of the Borrower
“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\$51,350,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 24 March 2019 entered into between the Lender and the Borrower relating to the granting of the Loan
“Second Loan Agreement”	the loan agreement dated 26 June 2018 entered into between the Lender and the Borrower relating to the granting of the loan in the principal amount of HK\$42,600,000
“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	the 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, 24 March 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. Chan Wing Kit; 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.