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**INTENT AGREEMENT
IN RELATION TO THE POSSIBLE ACQUISITION OF
HIGH-END VEHICLES ADVANCED POWER BATTERY BUSINESS**

The Board announces that on 23 March 2021 (after trading hours), the Purchaser entered into a non-legally binding Agreement with the Vendor in relation to the Possible Acquisition.

Pursuant to the Agreement, the Purchaser (or its nominee) intends to acquire 100% equity interest of the Target Company. The consideration and other terms for the Possible Acquisition will be subject to further negotiations and will be determined upon signing of the Formal Agreement.

The Target Company is mainly engaged in providing advanced power battery products and solutions to high-end vehicles customers, and is a national new high-tech enterprise.

The Board wishes to emphasize that no binding agreement in relation to the Possible Acquisition has been entered into by the Vendor and the Purchaser as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. Shareholders and investors are urged to exercise caution when dealing in the securities of the Company.

Further announcement in respect of the Possible Acquisition will be made by the Company in compliance with the Listing Rules as and when appropriate.

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THE AGREEMENT

Date: 23 March 2021 (after trading hours)

Parties: the Purchaser; and
the Vendor.

Subject matter

Pursuant to the Agreement, the Purchaser (or its nominee) intends to acquire 100% equity interest of the Target Company. The consideration and other terms for the Possible Acquisition will be subject to further negotiations and will be determined upon signing of the Formal Agreement.

Formal Agreement

Pursuant to the Agreement, the Vendor and the Purchaser shall negotiate in good faith towards one another in ensuring that the Formal Agreement be entered into as soon as possible and in any event no later than 30 days after the date of the Agreement or such later date as the Purchaser and the Vendor may agree.

The Formal Agreement shall contain, including but not limited to representations, warranties, undertaking and indemnifications which are generally given by Vendor under the transactions similar to the Possible Acquisition.

If no Formal Agreement is entered into within 30 days from the date of the Agreement (or such later date as the Purchaser and the Vendor may agree), the Agreement shall lapse.

Due diligence

The Purchaser shall and shall procure that its advisers and agents shall, forthwith upon the signing of the Agreement, conduct such review of the assets, liabilities, operations and affairs of the Target Company as it may consider appropriate and the Vendor shall provide and procure the Target Company and their agents to provide such assistance as the Purchaser and its advisers and agents may require in connection with such review and shall procure that such due diligence review shall be completed within 30 days from the date of the Agreement (or such later date as the Vendor and the Purchaser may agree).

Exclusivity

Pursuant to the Agreement, the Vendor will not, and will procure that the Target Company and its respective directors, officers, employees, representatives and agents will not, directly or indirectly, disclose the progress of ongoing discussions or negotiations or any terms, conditions or other facts with respect to the Possible Acquisition.

INFORMATION OF THE TARGET COMPANY

The Target Company was incorporated in the PRC with limited liability and is beneficially wholly-owned by the Vendor. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor is an Independent Third Party. The Target Company is mainly engaged in providing advanced power battery products and solutions to high-end vehicles customers, and is a national new high-tech enterprise.

REASONS FOR THE POSSIBLE ACQUISITION

The Group is principally engaged in (i) hotel hospitality business; (ii) provision of money lending services; (iii) trading and distribution of liquor and wine; and (iv) investments in fund.

The power battery products of the Target Company are mainly used in high-end vehicles. The Group believes that with the acceleration of the global electricalization process, the rapid rise of the new energy vehicle market has generated strong demand for power batteries, high-end vehicles customers will continue to expand their demand for advanced power battery products.

In consideration of the above, the Directors are of the view that the terms of the Agreement are fair and reasonable and the Possible Acquisition is in the interests of the Company and Shareholders as a whole.

GENERAL

The Agreement does not constitute legally-binding commitment in respect of the Possible Acquisition. The Possible Acquisition is subject to, among others, the execution and completion of the Formal Agreement.

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Further announcement in respect of the Possible Acquisition will be made by the Company in compliance with the Listing Rules as and when appropriate.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Agreement”	the non-legally binding intent agreement dated 23 March 2021 and entered into between the Vendor and the Purchaser setting out the preliminary understanding in relation to the Possible Acquisition
“Board”	the board of Directors

“Company” and “Purchaser”	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
“Formal Agreement”	the formal sale and purchase agreement to be entered into between the Vendor and the Purchaser in relation to the Possible Acquisition
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	third party independent of and not connected with the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Possible Acquisition”	the possible acquisition by the Purchaser of 100% equity interest of the Target Company as contemplated under the Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“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
“Target Company”	ZTE Gaoneng Technology Company Limited (中興高能技術有限責任公司), a company incorporated in the PRC with limited liability, which is wholly-owned by the Vendor as at the date of this announcement
“Vendor”	ZTE Corporation, a joint stock company incorporated in the PRC with limited liability whose H shares (stock code: 763) and A shares (stock code: 000063) are listed on the main board of the Stock Exchange and The Shenzhen Stock Exchange respectively

“HK\$” Hong Kong dollars, the lawful currency for the time being
of Hong Kong

“%” per cent

By order of the Board
DeTai New Energy Group Limited
Chan Wai Ki
Executive Director

Hong Kong, 23 March 2021

As at the date of this announcement, the executive Directors are Mr. Wong Hin Shek, Mr. Chan Wai Ki and Mr. Eric Todd; and the independent non-executive Directors are Mr. Chiu Wai On and Mr. Man Kwok Leung.