

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **DeTai New Energy Group Limited** (the “Company”), you should at once hand this circular with the accompanying proxy form to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



**(1) PROPOSED CAPITAL REORGANISATION;  
(2) PROPOSED CHANGE IN BOARD LOT SIZE;  
AND  
(3) NOTICE OF THE SGM**

**Financial adviser**



Capitalised terms used in this cover page shall have the same meanings as those defined in this circular unless otherwise stated.

A notice convening the special general meeting (“SGM”) of the Company to be held at Units 5906–5912, 59/F., The Center, 99 Queen’s Road Central, Hong Kong on Wednesday, 16 October 2024 at 11:00 a.m. is set out on pages 16 to 18 of this circular. A form of proxy for use at the SGM is enclosed in this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.detai-group.com](http://www.detai-group.com).

Whether or not you are able to attend the SGM, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the Registrar, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the proxy form shall not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish. Delivery of an instrument appointing a proxy shall not preclude you from attending and voting in person at the SGM and in such event, the instrument appointing a proxy shall be deemed revoked.

This circular will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange for seven days from the date of its publication.

24 September 2024

<b>CONTENTS</b>
-----------------

	<i>Page</i>
<b>DEFINITIONS .....</b>	<b>1</b>
<b>EXPECTED TIMETABLE .....</b>	<b>4</b>
<b>LETTER FROM THE BOARD .....</b>	<b>6</b>
<b>NOTICE OF THE SGM .....</b>	<b>16</b>

## DEFINITIONS

*Unless otherwise requires, the following terms have the following meanings in this circular:*

“Announcement”	the announcement of the Company dated 2 September 2024 in relation to the proposed Capital Reorganisation
“Board”	the board of Directors
“Business Day(s)”	any day on which the Stock Exchange is open for the business of dealing in securities
“Bye-laws”	the bye-laws for the time being adopted by the Company and as amended from time to time
“Capital Reduction”	the proposed reduction in the issued share capital of the Company as detailed in the section headed “Capital Reduction” of this circular
“Capital Reorganisation”	collectively, the Share Consolidation, the Capital Reduction and the Share Subdivision
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time
“Change in Board Lot Size”	the proposed change in board lot size for trading on the Stock Exchange from 30,000 Existing Shares to 10,000 New Consolidated Shares conditional upon the Capital Reorganisation becoming effective
“Companies Act”	the Companies Act 1981 of Bermuda (as amended from time to time)
“Company”	DeTai New Energy Group Limited, company incorporated in the Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 559)
“Consolidated Share(s)”	ordinary share(s) of par value of HK\$1.50 each in the share capital of the Company immediately after the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Subdivision

## DEFINITIONS

“Consolidated Preference Share(s)”	non-voting convertible preference share(s) of par value of HK\$1.50 each in the share capital of the Company immediately after the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Subdivision
“Director(s)”	the director(s) of the Company
“Existing Share(s)”	ordinary share(s) of par value of HK\$0.05 each in the share capital of the Company prior to the Capital Reorganisation becoming effective
“Existing Preference Share(s)”	non-voting convertible preference share(s) of par value of HK\$0.05 each in the share capital of the Company prior to the Capital Reorganisation becoming effective
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company together with its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	19 September 2024, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Committee”	has the meaning ascribed to such term in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the main board maintained and operated by the Stock Exchange
“New Consolidated Shares”	ordinary share(s) of par value of HK\$0.05 each in the share capital of the Company upon the Capital Reorganisation becoming effective

## DEFINITIONS

“New Consolidated Preference Shares”	non-voting convertible preference share(s) of par value of HK\$0.05 each in the share capital of the Company upon the Capital Reorganisation becoming effective
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“SGM”	the special general meeting of the Company to be held to consider and, if thought fit, approve, among other things, the Capital Reorganisation and transactions contemplated thereunder
“Share Consolidation”	the proposed consolidation of (i) every thirty (30) issued and unissued Existing Shares of par value of HK\$0.05 each will be consolidated into one (1) Consolidated Share of HK\$1.50 each; and (ii) every thirty (30) issued and unissued Existing Preference Shares of par value of HK\$0.05 each will be consolidated into one (1) Consolidated Preference Share of par value of HK\$1.50 each
“Shareholder(s)”	holder(s) of the Existing Share(s) and/or the Existing Preference Share(s), or the Consolidated Share(s) and/or the Consolidated Preference Share(s), or the New Consolidated Share(s) and/or New Consolidated Preference Share(s) (as the case may be)
“Share(s)”	the Existing Share(s) and/or the Existing Preference Share(s), or as the context may require, the Consolidated Share(s) and/or the Consolidated Preference Share(s), or the New Consolidated Share(s) and/or New Consolidated Preference Share(s)
“Share Subdivision”	the proposed subdivision of (i) each authorised but unissued Consolidated Share into thirty (30) authorised and unissued New Consolidated Shares; and (ii) each authorised but unissued Consolidated Preference Share into thirty (30) authorised and unissued New Consolidated Preference Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

## EXPECTED TIMETABLE

The expected timetable for the implementation of the Capital Reorganisation and the Change in Board Lot Size is as follows:

<b>Event(s)</b>	<b>Time and date 2024</b>
-----------------	---------------------------

Latest time for lodging transfers of shares in order to qualify for attendance and voting at the SGM .....	4:30 p.m. on Tuesday, 8 October
--	---------------------------------

Closure of register of members of the Company for determining the entitlement to attend and vote at the SGM .....	Wednesday, 9 October to Wednesday, 16 October (both dates inclusive)
---	--

Latest date and time for lodging forms of proxy for the SGM .....	11:00 a.m. on Monday, 14 October
---	-------------------------------------

Record date for attendance and voting at the SGM .....	Wednesday, 16 October
--	-----------------------

Expected date and time for attendance and voting at the SGM .....	11:00 a.m. on Wednesday, 16 October
---	--

Publication of announcement of poll results of the SGM .....	Wednesday, 16 October
--	-----------------------

Register of members of the Company re-opens .....	Thursday, 17 October
---	----------------------

**The following events are conditional on the fulfilment of the conditions for the implementation of the Capital Reorganisation and therefore the dates are tentative:**

Expected effective date of the Capital Reorganisation .....	Friday, 18 October
---	--------------------

First day of free exchange of existing share certificates of the Existing Shares for new share certificates of the New Consolidated Shares .....	Friday, 18 October
--	--------------------

Dealing in the New Consolidated Shares commences .....	9:00 a.m. on Friday, 18 October
--	---------------------------------

Original counter for trading in the Existing Shares in board lot size of 30,000 Existing Shares (in the form of existing share certificate(s) in gold colour) temporarily closes .....	9:00 a.m. on Friday, 18 October
--	---------------------------------

## EXPECTED TIMETABLE

Event(s)	Time and date 2024
Temporary counter for trading in the New Consolidated Shares in board lots of 1,000 New Consolidated Shares (in the form of existing share certificate(s) in gold colour) opens .....	9:00 a.m. on Friday, 18 October
Expected effective date of the Change in Board Lot Size .....	Friday, 1 November
Original counter for trading in the New Consolidated Shares in new board lot size of 10,000 New Consolidated Shares (in the form of new share certificate(s) in blue colour) re-opens.....	9:00 a.m. on Friday, 1 November
Parallel trading in the New Consolidated Shares (in the form of new share certificate(s) in blue colour and existing share certificate(s) in gold colour) commences .....	9:00 a.m. on Friday, 1 November
Designated broker starts to stand in the market to provide matching services for odd lots of the New Consolidated Shares .....	9:00 a.m. on Friday, 1 November
Designated broker ceases to stand in the market to provide matching services for odd lots of the New Consolidated Shares.....	4:00 p.m. on Thursday, 21 November
Temporary counter for trading in the New Consolidated Shares in board lot size of 1,000 New Consolidated Shares (in the form of existing share certificate(s) in gold colour) closes .....	4:10 p.m. on Thursday, 21 November
Parallel trading in the New Consolidated Shares (in the form of new share certificate(s) in blue colour for the Consolidated Shares and existing share certificates) ends .....	4:10 p.m. on Thursday, 21 November
Last day for free exchange of existing share certificates for new share certificates for the New Consolidated Shares .....	Monday, 25 November

All times and dates specified in the timetable above refer to Hong Kong times and dates. The expected timetable is subject to the satisfaction of all conditions of the Capital Reorganisation and is therefore for indicative only. Any subsequent changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

LETTER FROM THE BOARD



德泰新能源集團有限公司  
**DeTai New Energy Group Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 559)**

*Executive Director:*

Mr. Wong Siu Keung Joe (*Chairman*)

*Non-executive Director:*

Ms. Chu Yin Yin Georgiana

*Independent non-executive Directors:*

Mr. Chiu Wai On

Mr. Man Kwok Leung

Mr. To Chun Wai

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head office and principal place  
of business:*

Room 905, 9/F., Wings Building

110–116 Queen's Road Central

Hong Kong

24 September 2024

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSED CAPITAL REORGANISATION;  
(2) PROPOSED CHANGE IN BOARD LOT SIZE;  
AND  
(3) NOTICE OF THE SGM**

**INTRODUCTION**

Reference is made to the Announcement.

The purpose of this circular is to provide you with the information containing, among other things, (i) further details in relation to the Capital Reorganisation and (ii) the notice of the SGM.

**PROPOSED CAPITAL REORGANISATION**

The Board proposes to implement the Capital Reorganisation which will involve the Share Consolidation, the Capital Reduction and the Share Subdivision.



## LETTER FROM THE BOARD

### (i) Share Consolidation

The Board proposes to implement the Share Consolidation on the basis that (i) every thirty (30) issued and unissued Existing Shares of par value of HK\$0.05 each will be consolidated into one (1) Consolidated Share of par value of HK\$1.50 each; and (ii) every thirty (30) issued and unissued Existing Preference Shares of par value of HK\$0.05 each will be consolidated into one(1) Consolidated Preference Share of par value of HK\$1.50 each.

#### *Effect of the Share Consolidation*

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$1,561,904,761.90, comprising of (a) HK\$1,500,000,000 divided into 30,000,000,000 Existing Shares of par value of HK\$0.05 each, of which 15,695,531,700 Existing Shares have been issued and are fully paid or credited as fully paid; and (b) HK\$61,904,761.90 divided into 1,238,095,238 Existing Preference Shares of par value of HK\$0.05 each, of which 491,665,238 Existing Preference Shares have been issued and are fully paid or credited as fully paid.

Immediately upon the Share Consolidation become effective, and assuming that no further Existing Shares or Existing Preference Shares will be allotted, issued or repurchased from the Latest Practicable Date up to and including the effective date of the Share Consolidation, the authorised share capital of the Company shall remain at HK\$1,561,904,761.90, comprising of (a) HK\$1,500,000,000 divided into 1,000,000,000 Consolidated Shares of par value of HK\$1.50 each, of which 523,184,390 Consolidated Shares will be issue and fully paid or credited as fully paid; and (b) HK\$61,904,761.90 divided into 41,269,841 Consolidated Preference Shares of par value HK\$1.50 each, of which 16,388,841 Consolidated Preference Shares will be in issue and fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other and the Consolidated Preference Shares shall rank *pari passu* in all respects with each other.

### (ii) Capital Reduction

Immediately after the Share Consolidation becoming effective, the issued share capital of the Company will be reduced by: (a) eliminating any fraction of a share in the issued share capital of the Company arising from the Share Consolidation in order to round down the total number of the shares to a whole number; and (b) cancelling HK\$1.45 of the paid-up capital of the Company on each Consolidated Share and each Consolidated Preference Share, such that the par value of each issued New Consolidated Share and each issued New Consolidated Preference Share will be reduced from HK\$1.50 to HK\$0.05 immediately following the Capital Reduction and the credit arising from the Capital Reduction will be transferred to the contributed surplus account of the Company within the meaning of the Companies Act.

## LETTER FROM THE BOARD

### **(iii) Share Subdivision**

Immediately following the Share Consolidation and the Capital Reduction becoming effective, (a) each authorised but unissued Consolidated Share of par value of HK\$1.50 will be subdivided into thirty (30) authorised but unissued New Consolidated Shares of par value of HK\$0.05 each; and (b) each authorised but unissued Consolidated Preference Share of par value of HK\$1.50 will be subdivided into thirty (30) authorised but unissued New Consolidated Preference Shares of par value of HK\$0.05 each.

### **Conditions of the Capital Reorganisation**

The implementation of the Capital Reorganisation is conditional upon:

- (i) the passing of necessary resolution by the Shareholders at the SGM to approve the Capital Reorganisation and transactions contemplated thereunder;
- (ii) the Listing Committee of the Stock Exchange granting the approval for listing of, and permission to deal in, the New Consolidated Shares in issue and to be issued upon the Capital Reorganisation becoming effective;
- (iii) the compliance with the relevant procedures and requirements under the Companies Act and applicable laws of Bermuda to effect the Capital Reorganisation, which includes the Directors being satisfied that on the date the Capital Reorganisation is to take effect, there are no reasonable grounds for believing that the Company is, or after the Capital Reorganisation would be, unable to pay its liabilities as they become due;
- (iv) the compliance with the relevant procedures and requirements under the Listing Rules to effect the Capital Reorganisation; and
- (v) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation.

### **Listing Application**

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the New Consolidated Shares in issue and to be issued upon the Capital Reorganisation becoming effective and the New Consolidated Shares falling to be issued upon the exercise of the conversion rights attaching to the New Consolidated Preference Shares.

## LETTER FROM THE BOARD

Subject to the granting of the approval of listing of, and permission to deal in, the New Consolidated Shares on the Stock Exchange upon the Capital Reorganisation becoming effective, as well as compliance with the stock admission requirements of HKSCC, the New Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second (2nd) settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the New Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Capital Reorganisation become effective, the New Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

### **Effects of the Capital Reorganisation**

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$1,561,904,761.90, comprising of (a) HK\$1,500,000,000 divided into 30,000,000,000 Existing Shares of par value of HK\$0.05 each, of which 15,695,531,700 Existing Shares have been issued and are fully paid or credited as fully paid; and (b) HK\$61,904,761.90 divided into 1,238,095,238 Existing Preference Shares of par value of HK\$0.05 each, of which 491,665,238 Existing Preference Shares have been issued and are fully paid or credited as fully paid.

Assuming that no further shares are allotted, issued or repurchased from the Latest Practicable Date up to and including the effective date of the Capital Reorganisation, immediately after the Capital Reorganisation becoming effective, the authorised share capital of the Company shall remain at HK\$1,561,904,761.90, comprising of (a) HK\$1,500,000,000 divided into 30,000,000,000 New Consolidated Shares of par value of HK\$0.05 each, of which 523,184,390 New Consolidated Shares will be in issue and fully paid or credited as fully paid; and (b) HK\$61,904,761.90 divided into 1,238,095,238 New Consolidated Preference Shares of par value HK\$0.05 each, of which 16,388,841 New Consolidated Preference Shares will be issue and fully paid or credited as fully paid.

## LETTER FROM THE BOARD

Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date up to and including the date on which the Capital Reorganisation becomes effective, the share capital structure of the Company will be as summarised below:

	As at the Latest Practicable Date	Immediately after the Share Consolidation becoming effective but prior to the Capital Reduction and Share Subdivision becoming effective	Immediately after the Capital Reorganisation becoming effective
Par value	HK\$0.05 per Existing Share and per Existing Preference Share	HK\$1.50 per Consolidated Share and per Consolidated Preference Share	HK\$0.05 per New Consolidated Share and per New Consolidated Preference Share
<b>Authorised share capital</b>			
Amount of authorised share capital	HK\$1,561,904,761.90	HK\$1,561,904,761.90	HK\$1,561,904,761.90
Number of authorised shares	30,000,000,000 Existing Shares and 1,238,095,238 Existing Preference Shares	1,000,000,000 Consolidated Shares and 41,269,841 Consolidated Preference Shares	30,000,000,000 New Consolidated Shares and 1,238,095,238 New Consolidated Preference Shares
<b>Issued share capital</b>			
Amount of issued share capital	HK\$809,359,846.90	HK\$809,359,846.90	HK\$26,978,661.55
Number of issued shares	15,695,531,700 Existing Shares and 491,665,238 Existing Preference Shares	523,184,390 Consolidated Shares and 16,388,841 Consolidated Preference Shares	523,184,390 New Consolidated Shares and 16,388,841 New Consolidated Preference Shares

As at the Latest Practicable Date, 15,695,531,700 Existing Shares have been issued and are fully paid or credited as fully paid and 491,665,238 Existing Preference Shares have been issued and fully paid or credited as fully paid. Immediately upon the Capital Reorganisation becoming effective, the Company's existing issued share capital of HK\$809,359,846.90 will be reduced by HK\$782,381,185.35 to HK\$26,978,661.55.

## LETTER FROM THE BOARD

A credit will arise as a result of the Capital Reduction. It is proposed that the credit arising in the accounts of the Company from the Capital Reduction will be transferred to the contributed surplus account of the Company within the meaning of the Companies Act, which will be used by the Board in any manner as the Board may deem fit as may be permitted under the applicable laws and the Bye-laws.

As at the Latest Practicable Date, save for the Existing Preference Shares, the Company does not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into, any Existing Shares or Consolidated Shares or New Consolidated Shares.

### **Status of the New Consolidated Shares and New Consolidated Preference Shares**

Upon the Capital Reorganisation becoming effective, all New Consolidated Shares and will be identical in all respects and rank *pari passu* in all respects with each other, and all New Consolidated Preference Shares will be identical in all respect and rank *pari passu* in all respect with each other.

### **Free exchange of share certificate(s) for the New Consolidated Shares**

Subject to the Capital Reorganisation becoming effective, which is expected to be on Friday, 18 October 2024, the Shareholders may, during the period from Friday, 18 October 2024 to Monday, 25 November 2024 (both dates inclusive), submit their existing share certificate(s) for the Existing Shares in gold colour to the Registrar, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, during business hours to exchange for new share certificate(s) for the New Consolidated Shares in blue colour at the expense of the Company. Thereafter, share certificate(s) for the Existing Shares will be accepted for exchange only upon payment of a fee of HK\$2.50 (or such other amount as may be specified by the Stock Exchange from time to time) for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the New Consolidated Shares, whichever the number of certificate(s) cancelled or issued is higher. The existing share certificate(s) will only be valid for delivery, trading, settlement and registration purposes for the period up to 4:10 p.m. on Thursday, 21 November 2024 and thereafter will not be accepted for delivery, trading, settlement and registration purposes. However, the existing share certificate(s) will continue to be good evidence of title to the New Consolidated Shares on the basis of every thirty (30) Existing Shares for one (1) New Consolidated Share. The new share certificate(s) for the New Consolidated Shares will be issued in blue colour in order to distinguish them from the share certificate(s) for the Existing Shares which are in gold colour.

## LETTER FROM THE BOARD

### **Fractional entitlement to the New Consolidated Shares**

Fractional New Consolidated Shares arising from the Capital Reorganisation, if any, will be disregarded and will not be issued to the Shareholders but all such fractional New Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company.

The Shareholders concerned about losing out on any fractional entitlement are recommended to consult their professional advisers and may consider the possibility of buying or selling the Existing Shares in a number sufficient to make up an entitlement to receive a whole number of the New Consolidated Shares.

### **Odd lots trading arrangements and matching services**

In order to facilitate the trading of odd lots (if any) of the New Consolidated Shares arising from the Capital Reorganisation, the Company has appointed Kingston Securities Limited as its designated broker to provide matching services, on a best effort basis, regarding the sale and purchase of odd lots of New Consolidated Shares from 9:00 a.m. on Friday, 1 November 2024 to 4:00 p.m. on Thursday, 21 November 2024 (both days inclusive). Shareholders who wish to acquire odd lots of the New Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the New Consolidated Shares, should contact Mr. James Lee of Kingston Securities Limited at 72/F., Floor, The Center, 99 Queen's Road Central, Central, Hong Kong (telephone number: (852) 2298 6378) during the office hours of such period.

Holders of odd lots of the New Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the New Consolidated Shares is not guaranteed. Any Shareholder, who is in any doubt about the odd lot matching arrangement, is recommended to consult his/her/its own professional advisers.

**Shareholders or potential investors should note that (i) odd lots arrangements do not guarantee successful matching of all odd lots at the relevant market price; and (ii) odd lots might be sold below the market price in the market.**

### **PROPOSED CHANGE IN BOARD LOT SIZE**

As at the Latest Practicable Date, the Existing Shares were traded on the Stock Exchange in existing board lot size of 30,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange to 10,000 New Consolidated Shares conditional upon the Capital Reorganisation becoming effective. Based on the closing price of HK\$0.010 per Existing Share (equivalent to the theoretical price of HK\$0.300 per New Consolidated Share) as quoted on the Stock Exchange as at the Latest Practicable Date: (i) the value of each board lot of 30,000 Existing Shares is HK\$300; and (ii) the value of each new board lot of 10,000 New Consolidated Shares would be HK\$3,000 assuming the Change in Board Lot Size had also been effective.

## LETTER FROM THE BOARD

The Change in Board Lot Size is conditional upon the Capital Reorganisation becoming effective.

The Change in Board Lot Size will not result in change in the relative rights of the Shareholders.

### **REASONS FOR THE CAPITAL REORGANISATION AND THE CHANGE IN BOARD LOT SIZE**

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the Existing Shares approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the Company either to change the trading method or to proceed with a consolidation or splitting of the Existing Shares. The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and last updated in June 2024 (the “**Guide**”) has further stated that (i) market price of the Existing Shares at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000. On this basis, the Board considers that it is appropriate to implement the Capital Reorganisation.

The Company has been constantly monitoring the trading prices of the Existing Shares. As disclosed above, at as the Latest Practicable Date, the closing price of the Existing Shares as quoted on the Stock Exchange is below HK\$0.10 and the existing board lot value is less than HK\$2,000. Upon the Capital Reorganisation becoming effective, the Share price would be adjusted to HK\$0.300 per New Consolidated Share (based on the closing price of HK\$0.010 per Existing Share as at the Latest Practicable Date), and with a board lot size of 10,000 New Consolidated Shares, the new board lot value would be HK\$3,000. The Capital Reorganisation and the Change in Board Lot Size would enable the share price of the Company and the value of the board lot to comply with the trading requirements under the Listing Rules.

The Board also considers that the Capital Reorganisation and the Change in Board Lot Size are expected to bring about a corresponding upward adjustment in the trading price per new board lot of the New Consolidated Shares. In addition, the Capital Reorganisation and the Change in Board Lot Size would reduce the overall transaction and handling costs of dealings in the New Consolidated Shares as a proportion of the market value of each board lot, since most of the banks or securities houses will charge a minimum transaction cost for each securities trade. It is expected that the Capital Reorganisation would maintain the trading amount for each board lot at a reasonable level and attract a broader range of investors of the Company and thus further broaden the Shareholders’ base, including institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor. It is also expected that the liquidity in trading of the New Consolidated Shares will increase accordingly.



## LETTER FROM THE BOARD

Under the Companies Act, the Company may not issue Shares at a discount to the par value of such Shares. Immediately after completion of the Share Consolidation but before implementation of the Capital Reduction and Share Subdivision, the par value of the Consolidated Shares will be HK\$1.50 per Consolidated Share. The Capital Reorganisation will keep the par value of the New Consolidated Shares at a lower level of HK\$0.05 per New Consolidated Share, which allows greater flexibility in the pricing for any issue of new Shares in the future. In addition, the credit arising from the Capital Reorganisation will be transferred to the contributed surplus account of the Company within the meaning of the Companies Act, thus enabling the Shareholders and potential investors of the Company to have a better appreciation of the financial position of the Company.

Other than the relevant expenses, including but not limited to professional fees and printing charges to be incurred in relation to the Capital Reorganisation, the implementation of the Capital Reorganisation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders. The Board believes that the Capital Reorganisation will not have any material adverse effect on the financial position of the Company and that on the date the Capital Reorganisation to be effected, there are no reasonable grounds for believing that the Company is, or after the Capital Reorganisation would be, unable to pay its liabilities as they become due. The Capital Reorganisation will not involve any diminution of any liability in respect of any unpaid capital of the Company or the repayment to the Shareholders of any unpaid capital of the Company nor will it result in any change in the relative rights of the Shareholders.

In view of the above reasons, the Board considers that the Capital Reorganisation and the Change in Board Lot Size are justifiable. Accordingly, the Board is of the view that the Capital Reorganisation and the Change in Board Lot Size are beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company has no plan or intention to carry out any equity and/or other corporate actions which may have an effect of undermining or negating the intended purpose of the Capital Reorganisation and the Change in Board Lot Size in the next twelve (12) months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund-raising opportunities arise in order to support future development of the Group. The Company will make further announcement(s) in this regard in accordance with the Listing Rules as and when appropriate.

### SGM

The SGM will be convened and held at Units 5906–5912, 59/F., The Center, 99 Queen's Road Central, Hong Kong on Wednesday, 16 October 2024 at 11:00 a.m. for the Shareholders to consider and, if thought fit, approve the Capital Reorganisation and transactions contemplated thereunder. The necessary resolution approving the Capital Reorganisation will be conducted by way of poll at the SGM and an announcement on the results of the SGM will be made by the Company after the SGM.



## LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in the Capital Reorganisation and no Shareholder will be required to abstain from voting on the necessary resolution for approving the Capital Reorganisation at the SGM.

The notice of the SGM is set out pages 16 to 18 of this circular.

For the purposes of determining the entitlement of the Shareholders to attend and vote at the SGM, the register of members of the Company will be closed from Wednesday, 9 October 2024 to Wednesday, 16 October 2024 (both dates inclusive) during which period no transfer of the Shares will be registered. In order to qualify for attendance and voting at the SGM, each Shareholder must lodge all properly completed transfer forms, accompanied by the relevant share certificates, with the Registrar, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 8 October 2024.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### RECOMMENDATIONS

The Directors consider that the proposed resolution in relation to the Capital Reorganisation to be put forward at the SGM are in the best interests of the Company. Accordingly, the Directors recommend that the Shareholders vote in favour of the resolution to be proposed at the SGM to approve the Capital Reorganisation.

By order of the Board  
**DeTai New Energy Group Limited**  
**Wong Siu Keung Joe**  
*Chairman and Executive Director*



德泰新能源集團有限公司  
**DeTai New Energy Group Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 559)**

**NOTICE OF SPECIAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the special general meeting of DeTai New Energy Group Limited (the “**Company**”) will be held at 11:00 a.m. on Wednesday, 16 October 2024 at Units 5906–5912, 59/F., The Center, 99 Queen’s Road Central, Hong Kong for the following purposes.

**SPECIAL RESOLUTION**

To consider and, if thought fit, the following resolution as a special resolution of the Company:

1. “**THAT**, subject to the satisfaction of all conditions set out in the letter from the board under the paragraph headed “Conditions of the Capital Reorganisation” in the circular dated 24 September 2024 issued by the Company, with effect from 18 October 2024 or the conditions are fulfilled (whichever is later):
  - (i) every thirty (30) issued and unissued existing shares of par value of HK\$0.05 each will be consolidated into one (1) consolidated share (the “**Consolidated Share(s)**”) of par value of HK\$1.50 each; and (ii) every thirty (30) issued and unissued existing preference shares of par value of HK\$0.05 each will be consolidated into one (1) consolidated preference share (the “**Consolidated Preference Share**”) of par value of HK\$1.50 each (the “**Share Consolidation**”);
  - (ii) immediately after the Share Consolidation becoming effective, the issued share capital of the Company will be reduced to the effect that the par value of each issued Consolidated Share and each issued Consolidated Preference Share will be reduced from HK\$1.50 to HK\$0.05 by (a) eliminating any fraction of a share in the issued share capital of the Company arising from the Share Consolidation in order to round down the total number of the shares to a whole number; and (b) cancelling HK\$1.45 of the paid-up capital of the Company on each Consolidated Share (the “**New Consolidated Share(s)**”) and each Consolidated Preference Share (the “**New Consolidated Preference Share(s)**”) (the “**Capital Reduction**”);
  - (iii) immediately following the Share Consolidation and the Capital Reduction becoming effective, (a) each authorised but unissued Consolidated Share of par value of HK\$1.50 will be subdivided into thirty (30) authorised but unissued New Consolidated Shares of par value of HK\$0.05 each; and (b) each authorised but unissued Consolidated Preference Share of par value of HK\$1.50

## NOTICE OF SGM

will be subdivided into thirty (30) authorised but unissued New Consolidated Preference Shares of par value of HK\$0.05 each (the “**Share Subdivision**”) so that immediately following the Share Consolidation, the Capital Reduction and the Share Subdivision (collectively, the “**Capital Reorganisation**”), the authorised share capital of the Company shall remain at HK\$1,561,904,761.90 divided into 30,000,000,000 New Consolidated Shares and 1,238,095,238 New Consolidated Preference Shares, and the issued share capital of the Company shall be reduced by HK\$782,381,185.35 from HK\$809,359,846.90 divided into 15,695,531,700 Existing Shares and 491,665,238 Existing Preference Shares to HK\$26,978,661.55 divided into 523,184,390 New Consolidated Shares and 16,388,841 New Consolidated Preference Shares;

- (iv) subject to the restrictions as set out in the memorandum of association and bye-laws of the Company (the “**Bye-laws**”), the New Consolidated Shares will be identical in all respects and rank *pari passu* in all respects with each other, and the New Consolidated Preference Shares will be identical in all respects and rank *pari passu* in all respects with each other;
- (v) all fractional New Consolidated Shares shall be disregarded and not be issued to the shareholders of the Company and any fractions of the New Consolidated Shares be aggregated and, if possible, sold for the benefits of the Company and the net proceeds retained for the benefits of the Company;
- (vi) the credits arising from the Capital Reduction shall be transferred to the contributed surplus account of the Company within the meaning of the Companies Act (the “**Contributed Surplus Account**”) and the amount standing to the credit of the Contributed Surplus Account be applied in any manner as may be permitted under the Company’s Bye-laws, the Companies Act and all applicable laws including, without limitation, eliminating or setting off the accumulated losses of the Company from time to time as the directors of the Company (the “**Director(s)**”) consider appropriate without further authorization from the shareholders of the Company; and
- (vii) any one Director be and is hereby authorised to do all such acts and things and execute all such documents on behalf of the Company, including under the common seal of the Company where applicable, and take any and all steps, and to do and/or procure to be done any and all acts and things as he or she may consider necessary, desirable or expedient to give effect to the Capital Reorganisation.”

By order of the Board  
**DeTai New Energy Group Limited**  
**Wong Siu Keung Joe**  
*Chairman and Executive Director*

Hong Kong, 24 September 2024

## NOTICE OF SGM

*Notes:*

1. The resolution at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.detai-group.com](http://www.detai-group.com)) in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint more than one proxy to attend and vote instead of that shareholder. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held that shareholder.
3. Any Shareholder entitled to attend and vote at the SGM is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A Shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy needs not be a Shareholder. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the meeting (i.e., not later than 11:00 a.m. on Monday, 14 October 2024 (Hong Kong time)) or the adjourned meeting (as the case may be). To be effective, all proxy appointments must be lodged with Tricor Tengis Limited before the deadline. Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For the purpose of determination of entitlement to attend and vote at the SGM, the register of members of the Company will be closed from Wednesday, 9 October 2024 to Wednesday, 16 October 2024 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for attending and voting at the SGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 8 October 2024.
5. Where there are joint holders of any share, any one of such joint holders may vote at the meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the meeting, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
6. A circular containing further details concerning proposed resolution set out in this notice will be sent to all Shareholders together with this notice.
7. References to time and dates in this notice are to Hong Kong time and dates.

*As at the date of this notice, the Board comprises executive Director of Mr. Wong Siu Keung Joe (Chairman); the non-executive Director of Ms. Chu Yin Yin Georgiana, and the independent non-executive Directors of Mr. Chiu Wai On, Mr. Man Kwok Leung and Mr. To Chun Wai.*