GUOCANG GROUP LIMITED
國 藏 集 團 有 限 公 司

(proposed to be renamed as DeTai New Energy Group Limited
德泰新能源集團有限公司)
(Incorporated in Bermuda with limited liability)
(Stock Code: 559)

LAPSE OF DISCLOSEABLE TRANSACTION

References are made to the announcements of Guocang Group Limited dated 4 February 2015 and 4 August 2015 (the "**Announcements**") in relation to, among other things, (i) the acquisition of the Sale Share and the Sale Loan for the aggregate Consideration of HK$193,777,200; and (ii) the agreement of the Executive to enter into the Service Contract with the PRC Company at Completion. Unless defined otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

Pursuant to the Acquisition Agreement and the extension letter dated 4 August 2015 and entered into by the parties to the Acquisition Agreement, Completion is subject to the fulfilment or waiver (as the case may be) of the conditions precedent to the Acquisition Agreement by 4:00 p.m. on 4 November 2015 or such later date as agreed by the parties to the Acquisition Agreement (the "**Long Stop Date**"). As certain conditions have not been fulfilled and/or waived (as the case may be) by 4:00 p.m. on the Long Stop Date and the parties to the Acquisition Agreement have not agreed on any further extension of the Long Stop Date, the Acquisition Agreement has lapsed and ceased to have any effect. Upon the lapse of the Acquisition Agreement, neither party shall have any further obligations or liabilities towards the others nor any claims against the others in connection with the Acquisition Agreement (save for antecedent breaches).

The Board considers that the lapse of the Acquisition Agreement will not have any material adverse impact on the business, operation and financial position of the Group.

By order of the Board
Guocang Group Limited
Wong Hin Shek
Chairman and Executive Director

Hong Kong, 4 November 2015

As at the date of this announcement, the executive Directors are Mr. Wong Hin Shek and Mr. Chi Chi Hung, Kenneth; and the independent non-executive Directors are Mr. Chiu Wai On, Mr. Man Kwok Leung and Dr. Wong Yun Kuen.