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**CHINA NUCLEAR ENERGY TECHNOLOGY CORPORATION LIMITED**

**中國核能科技集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 611)**

**DISCLOSEABLE TRANSACTION —  
TERMINATION OF THE BECE FINANCE LEASE AGREEMENTS AND  
THE WEIFANG FINANCE LEASE AGREEMENT**

**TERMINATION OF THE BECE FINANCE LEASE AGREEMENTS AND THE  
WEIFANG FINANCE LEASE AGREEMENT**

Reference is made to the announcements (the “**Announcements**”) dated 9 June 2017, 18 August 2017 and 5 June 2018 in relation to the Finance Lease Company entering into (a) the BECE Finance Lease Agreements with Baofeng Clean Energy, Wuhu Clean Energy and Xinxiang Beikong respectively; and (b) the Weifang Finance Lease Agreement with BCE Electricity and Weifang Mingfeng. Unless otherwise specified, capitalised terms in this announcement shall have the same meanings as those defined in the Announcements.

The Board wishes to announce that, after arm’s length negotiations between the Finance Lease Company, Baofeng Clean Energy, Wuhu Clean Energy, Xinxiang Beikong, BCE Electricity and Weifang Mingfeng (the “**Lessees**”), pursuant to the Termination Agreement the parties agreed to early terminate the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement on 22 September 2022 (the “**Termination Date**”).

## **IMPLICATION UNDER THE LISTING RULES**

As the early termination of the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement were entered into between the Finance Lease Company on one hand and the Lessees on the other hand, all of which are the subsidiaries of BECE and within a twelve month period, the termination of the Baofeng Finance Lease Agreement, the Wuhu Finance Lease Agreement, the Xinxiang Finance Lease Agreement, and the Weifang Finance Lease Agreement are required to be aggregated for the calculation of the relevant percentage ratios to determine the classification of notifiable transactions under the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the early termination of BECE Finance Lease Agreements and the Weifang Finance Lease Agreement exceed 5% but less than 25%, the Termination constitutes a discloseable transaction for the Company and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## **INTRODUCTION**

Reference is made to the announcements (the “**Announcements**”) dated 9 June 2017, 18 August 2017 and 5 June 2018 in relation to the Finance Lease Company entering into of (a) the BECE Finance Lease Agreements with Baofeng Clean Energy, Wuhu Clean Energy and Xinxiang Beikong respectively; and (b) the Weifang Finance Lease Agreement with BCE Electricity and Weifang Mingfeng. Unless otherwise specified, capitalised terms in this announcement shall have the same meanings as those defined in the Announcements.

As disclosed in the Announcements, the Finance Lease Company, an indirect wholly-owned subsidiary of the Company, entered into the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement with the Lessees for a term of eight years (“**Lease Term**”). The original estimated amount of total lease payment is approximately RMB290,301,806.56 (equivalent to approximately HK\$326,473,411.66) and is payable in thirty two instalments on a quarterly basis during the Lease Term.

## **TERMINATION OF THE BECE FINANCE LEASE AGREEMENTS AND THE WEIFANG FINANCE LEASE AGREEMENT**

The Board wishes to announce that, after arm’s length negotiations between the Finance Lease Company, Baofeng Clean Energy, Wuhu Clean Energy, Xinxiang Beikong, BCE Electricity and Weifang Mingfeng (the “**Lessees**”), pursuant to the Termination Agreement, the parties agreed to early terminate the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement (the “**Termination**”) on 22 September 2022 (the “**Termination Date**”).

According to the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement, the outstanding lease payment from the Lessees under the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement immediately before the Termination Date were as follows :

(1) The Baofeng Finance Lease Agreement :

The outstanding lease payment from the Lessees amounted to approximately RMB35,905,618.00 (equivalent to approximately HK\$40,379,458.00), comprising of outstanding lease principal of approximately RMB32,400,000.00 (equivalent to approximately HK\$36,437,040.00), handling charge receivable of approximately RMB640,000.00 (equivalent to approximately HK\$719,744.00), lease interest receivable of approximately RMB314,344.80 (equivalent to approximately HK\$353,512.16) and unearned lease interest of approximately RMB2,551,273.20 (equivalent to approximately HK\$2,869,161.84) for the period from 22 September 2022 up to the end of the Lease Term.

(2) The Wuhu Finance Lease Agreement :

The outstanding lease payment from the Lessees amounted to approximately RMB27,535,012.00 (equivalent to approximately HK\$30,965,874.50), comprising of outstanding lease principal of approximately RMB24,800,000.00 (equivalent to approximately HK\$27,890,080.00), handling charge receivable of approximately RMB560,000.00 (equivalent to approximately HK\$629,776.00), lease interest receivable of approximately RMB349,977.60 (equivalent to approximately HK\$393,584.81) and unearned lease interest of approximately RMB1,825,034.40 (equivalent to approximately HK\$2,052,433.69) for the period from 22 September 2022 up to the end of the Lease Term.

(3) The Xinxiang Finance Lease Agreement :

The outstanding lease payment from the Lessees amounted to approximately RMB33,229,850.00 (equivalent to approximately HK\$37,370,289.31), comprising of outstanding lease principal of approximately RMB30,000,000.00 (equivalent to approximately HK\$33,738,000.00), handling charge receivable of approximately RMB650,000.00 (equivalent to approximately HK\$730,990.00), lease interest receivable of approximately RMB423,360.00 (equivalent to approximately HK\$476,110.66) and unearned lease interest of approximately RMB2,156,490.00 (equivalent to approximately HK\$2,425,188.65) for the period from 22 September 2022 up to the end of the Lease Term.

(4) The Weifang Finance Lease Agreement :

The outstanding lease payment from the Lessees amounted to approximately RMB23,551,483.04 (equivalent to approximately HK\$26,485,997.83), comprising of outstanding lease principal of approximately RMB20,177,571.06 (equivalent to approximately HK\$22,691,696.41), handling charge receivable of approximately RMB648,000.00 (equivalent to approximately HK\$728,740.80), lease interest receivable of approximately RMB329,566.99 (equivalent to approximately HK\$370,631.04) and unearned lease interest of approximately RMB2,396,344.99 (equivalent to approximately HK\$2,694,929.58) for the period from 22 September 2022 up to the end of the Lease Term.

On the Termination Date, the Lessees paid to the Finance Lease Company an amount of approximately RMB110,942,771.87 (equivalent to approximately HK\$124,766,241.25) (“**Final Payment**”), which represented the sum of the then outstanding lease principal of RMB107,377,571.06 (equivalent to approximately HK\$120,756,816.41), the interest payable up to the Termination Date of RMB1,417,249.39 (equivalent to approximately HK\$1,593,838.67), 2% of the outstanding lease principal as early termination charge of RMB2,147,551.42 (equivalent to approximately HK\$2,415,136.33) and the nominal consideration of RMB400.00 (equivalent to approximately HK\$449.84) payable by the Lessees for the repurchase of the Facilities.

On the Termination Date, the Finance Lease Company and the Lessees entered into a termination agreement (the “**Termination Agreement**”), pursuant to which the parties acknowledged and confirmed that (i) the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement signed between the Finance Lease Company and the Lessees and the guarantee contracts signed by the Guarantors in respect of the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement shall terminate on 22 September 2022; and (ii) no parties shall have any claim under the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement.

Directors consider that it is in the interests of the Company and its shareholders as a whole to early terminate the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement and recover the outstanding lease principal, the lease interest up to the Termination Date and the early termination charge as soon as possible so that the fund can be utilised by the Group in other potential projects. In light of the above, the Directors are of the view that the terms of the termination are fair and reasonable.

## **Information on the Company and the Finance Lease Company**

The Company is an investment holding company. The Finance Lease Company is an indirect wholly-owned subsidiary of the Company established in the PRC with limited liability. It is principally engaged in the financial leasing and factoring business, which specialises in organising and providing direct financial leasing services, sale-and-leaseback services and recourse factoring to customers in the PRC, the customers of which are mainly companies in the new energy industry.

## **Information on BECE, BCE Electricity and Weifang Mingfeng**

BECE is an investment holding company whose shares are listed on the Main Board of the Stock Exchange (Stock code: 1250). The principal operating subsidiaries of BECE is primarily engaged in the investment, development, construction, operation and management of photovoltaic power plants, photovoltaic power-related businesses and wind power-related businesses and the design, printing and sale of cigarette packages in the PRC. BCE Electricity is an indirect non wholly-owned subsidiary of BECE which is principally engaged in investment, development and operation of photovoltaic power generation projects. Weifang Mingfeng is a company incorporated in the PRC with limited liability and is principally engaged in the development, construction, operation and maintenance of photovoltaic power generation projects and the provision of development and consultancy services in relation to photovoltaic power generation technologies.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of BECE, BCE Electricity and Weifang Mingfeng and its ultimate beneficial owner(s) were independent third parties of the Company.

## **IMPLICATION UNDER THE LISTING RULES**

As the early termination of the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement were entered into between the Finance Lease Company on one hand and the Lessees on the other hand, all of which are the subsidiaries of BECE and within a twelve month period, the termination of the Baofeng Finance Lease Agreement, the Wuhu Finance Lease Agreements, the Xinxiang Finance Lease Agreement, and the Weifang Finance Lease Agreement are required to be aggregated for the calculation of the relevant percentage ratios to determine the classification of notifiable transactions under the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement exceed 5% but less than 25%, the termination of the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement constitute a discloseable transaction for the Company and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

In this announcement, for the purpose of illustration only, amounts quoted in RMB have been converted into HK\$ at the rate of RMB1.00 to HK\$1.1246. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

By Order of the Board  
**China Nuclear Energy Technology Corporation Limited**  
*Chairman*  
**Shu Qian**

Hong Kong, 22 September 2022

*As at the date of this announcement, the executive Directors of the Company are Mr. Shu Qian (Chairman), Mr. Wu Yuanchen (Vice Chairman), Mr. Li Hongwei (Vice Chairman), Mr. Liu Genyu (Co-Chief Executive Officer), Ms. Huang Yan, Ms. Liu Jianrong; and the independent non-executive Directors of the Company are Dr. Xu Shiqing, Mr. Kang Xinquan and Dr. Su Lixin.*