

## **China Nuclear Energy Technology affiliates enters into equipment purchase agreement and financing lease agreement**

China Nuclear Energy Technology announced that on November 6, 2019, each buyer has entered into an equipment purchase agreement with the relevant seller, and accordingly, each buyer has conditionally agreed to purchase the equipment. The total consideration under the Equipment Purchase Agreement is RMB 649 million. The equipment includes wind power equipment, wind tower equipment, ancillary facilities and other products and materials, which will be used in wind power projects.

Suining Wind and CMB Financial Leasing entered into the first CMB financing lease agreement, according to which, CMB Financial Leasing has conditionally agreed to enter into a tripartite transfer agreement to assume Suining Wind as the buyer's rights and obligations of the 35MW equipment purchase agreement. Obtained ownership of the 35 MW equipment after the delivery of the 35 MW equipment to Suining Wind; in accordance with the terms of the 35 MW equipment purchase agreement, the second seller was paid a net amount of RMB134 million, equivalent to the total consideration of the 35 MW equipment purchase agreement 90% of the total; and leased the 35 MW equipment back to Suining Wind after acquiring ownership of the 35 MW equipment.

The ownership of the 35 MW equipment under the First CMB Financial Leasing Agreement will first vest in CMB Financial Leasing. At the end of the lease period, Suining Wind will be required to fulfill all payment obligations under the First China Merchants Bank Financial Lease Agreement; and after paying a nominal consideration of RMB1, the ownership of the 35 MW equipment will belong to Suining Wind.

The ownership of the 95 MW equipment under the second China Merchants Financial Leasing Agreement will first vest in China Merchants Financial Leasing. At the end of the lease period, Suining Wind will be required to fulfill all payment obligations under the Second China Merchants Bank Financial Lease Agreement; and after paying a nominal consideration of RMB1, ownership of the 95 MW equipment will vest in Suining Wind.

Suining Wind enters into a major construction agreement with GCL Energy, according to which, Suining Wind conditionally agreed to entrust GCL Energy and GCL Energy conditionally agreed to undertake a 15 MW decentralized wind farm in Liangji Town, Jiangsu Province, China; Liangji Town 35 trillion Tile wind farm; and the construction of a 95 MW wind farm in Weiji Town. The total consideration under the Major Construction Agreement is RMB387 million.