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**中国核建**

**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)**

**CONNECTED TRANSACTION  
LOAN AGREEMENT**

The Board hereby announces that on 13 November 2015 CNE Holdings (a direct wholly-owned subsidiary of the Company) as lender entered into the Loan Agreement with China He Investment as borrower, pursuant to which CNE Holdings agreed to grant the Facility in the principal amount of HK\$15,600,000 for a term of six months to China He Investment.

As China He Investment has approximately 35.3% interest in the Company and is a substantial shareholder of the Company, China He Investment is a connected person of the Company. Therefore, the entering into of the Loan Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As the applicable ratios in respect of the Loan Agreement are more than 0.1% but less than 5%, the transaction contemplated under the Loan Agreement is subject to the reporting and announcement requirements but exempted from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

**THE LOAN AGREEMENT**

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The principal terms and conditions of the Loan Agreement are set out as follows:

Principal amount of the Loan	:	HK\$15,600,000.
Purpose	:	The proceeds of the Facility will be used for the general working capital of China He Investment and investments in projects within the PRC.
Term	:	Six months from the date of drawdown under the Facility.
Interest rate	:	3.3% per annum.
Repayment	:	China He Investment shall repay the loan in full together with any interest accrued thereon and all other outstanding amounts relating to the loan (i) on the date falling six months from the date on which the drawdown under the Facility is made or (ii) within fifteen days after the date on which CNE Holdings has issued a request for repayment (such request may only be issued after the expiry of three months from the date of drawdown under the Facility).
Security	:	The Loan Agreement does not contemplate any security to be given by China He Investment.

## **REASONS AND BENEFITS OF THE LOAN AGREEMENT**

The Facility constitutes a financial assistance provided by CNE Holdings to China He Investment, the substantial shareholder, which holds approximately 35.3% of the issued share capital of the Company. The Facility will provide foreign currency funding to China He Investment for project development and general working capital. The terms of the Loan Agreement, including the interest rate charged on China He Investment, were agreed by the parties after arm's length negotiations having taken into account the prevailing market rates.

In light of the above, the Directors (including independent non-executive Directors) consider that the terms of the Loan Agreement are on normal commercial terms, are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The Board is of the view that given the surplus cash in CNE Holdings in Hong Kong, the provision of the Loan by CNE Holdings to China He Investment would allow CNE Holdings to better utilise its surplus cash. The term of the Facility is short and should CNE Holdings require the use of such cash prior to the expiry of the term of the Facility, CNE Holdings has the right to request for early repayment of the loan at any time after the expiry of three months from the date of drawdown under the Facility. The Board considers that the corresponding interest income at 3.3% will be much more than the interest income that will be generated from banks.

## LISTING RULES IMPLICATIONS

As China He Investment has approximately 35.3% interest in the Company and is a substantial shareholder of the Company, China He Investment is a connected person of the Company. Therefore, the entering into of the Loan Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As the applicable ratios in respect of the Loan Agreement are more than 0.1% but less than 5%, the transaction contemplated under the Loan Agreement is subject to the reporting and announcement requirements but exempted from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the date of this announcement, Mr. Ai Yilun, who is the chairman and an executive Director, Mr. Gao Yongping, Mr. Fu Zhigang and Mr. Tang Chuanqing who are executive Directors, are materially interested in the transaction contemplated under the Loan Agreement as each of Mr. Ai Yilun, Mr. Gao Yongping, Mr. Fu Zhigang and Mr. Tang Chuanqing holds senior management position in ZOC Investment Co., Ltd which holds 100% interests in China He Investment. As such, Mr. Ai Yilun, Mr. Gao Yongping, Mr. Fu Zhigang and Mr. Tang Chuanqing have abstained from voting on the relevant board resolutions in respect of the Loan Agreement.

## INFORMATION OF THE PARTIES

The Group is principally engaged in new energy operations (such as provision of engineering, procurement and construction services for solar energy plant developers) in the PRC, restaurants and hotels operation and property investments in Hong Kong. In addition, the Group has been participating in other businesses such as inspection, maintenance, repair, construction, installation and provision of expertise in such works for nuclear power plants.

China He Investment is principally engaged in project investment, investment management and information consulting.

## DEFINITIONS

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

“Board”	the board of Directors
“China He Investment”	China He Investment (Hong Kong) Company Limited (中核投資(香港)有限公司), a company incorporated in Hong Kong with limited liability
“CNE Holdings”	CNE Holdings Company Limited (中國核能控股有限公司), a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company
“Company”	China Nuclear Energy Technology Corporation Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed thereto under the Listing Rules

“Director(s)”	the director(s) of the Company
“Facility”	a loan facility in a principal amount of HK\$15,600,000 granted by CNE Holdings to China He Investment pursuant to the Loan Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	the loan agreement dated 13 November 2015 entered into between CNE Holdings, as lender, and China He Investment, as borrower, in relation to the Facility
“PRC”	The People’s Republic of China, which for the sole purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent

By Order of the Board  
**China Nuclear Energy Technology Corporation Limited**  
**AI Yilun**  
*Chairman*

Hong Kong, 13 November 2015

*As at the date of this announcement, the Directors are: Mr. Ai Yilun, who is the chairman and an executive Director; Mr. Chan Shu Kit, who is the vice-chairman and an executive Director; Ms. Jian Qing, Mr. Chung Chi Shing, Mr. Gao Yongping, Mr. Fu Zhigang, Mr. Tang Chuanqing and Mr. Tang Jianhua, all of whom are executive Directors; and Mr. Chan Ka Ling, Edmond, Mr. Li Baolin, Mr. Wang Jimin and Mr. Tian Aiping, all of whom are independent non-executive Directors.*