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CGN NEW ENERGY HOLDINGS CO., LTD.

中國廣核新能源控股有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 1811)

**Continuing Connected Transactions
2021 Maintenance Services of Wind Farms and
Photovoltaic Power Plants Framework Agreement**

Reference is made to the Announcement dated 10 July 2020 in respect of the continuing connected transactions contemplated under the 2020 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement that was entered into between the Company and CGN (Beijing) New Energy Technology.

The 2020 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement will expire on 9 July 2021.

As the Company and CGN (Beijing) New Energy Technology intend to continue to carry out transactions of a similar nature from time to time after 9 July 2021, on 29 April 2021, the Company and CGN (Beijing) New Energy Technology entered into the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement for a term of three years from 10 July 2021 to 9 July 2024, pursuant to which the Company agreed to engage CGN (Beijing) New Energy Technology to provide Technical Maintenance Services to all wind farms and photovoltaic power plants of the Group.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CGN (Beijing) New Energy Technology is a wholly-owned subsidiary of CGN Solar Energy and CGN Solar Energy is a non-wholly owned subsidiary of CGN. CGN is the controlling shareholder of the Company indirectly holding approximately 72.29% of the issued share capital of the Company as at the date of this announcement. Therefore, CGN (Beijing) New Energy Technology is a connected person of the Company under the Listing Rules and the transactions contemplated under the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Given that the highest of the applicable percentage ratios in relation to the Annual Caps is more than 0.1% but less than 5%, the continuing connected transactions contemplated under the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement are exempt from the Independent Shareholders' approval requirement but are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the Announcement dated 10 July 2020 in respect of the continuing connected transactions contemplated under the 2020 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement that was entered into between the Company and CGN (Beijing) New Energy Technology.

The 2020 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement will expire on 9 July 2021.

As the Company and CGN (Beijing) New Energy Technology intend to continue to carry out transactions of a similar nature from time to time after 9 July 2021, on 29 April 2021, the Company and CGN (Beijing) New Energy Technology entered into the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement for a term of three years from 10 July 2021 to 9 July 2024, pursuant to which the Company agreed to engage CGN (Beijing) New Energy Technology to provide Technical Maintenance Services to all wind farms and photovoltaic power plants of the Group.

THE 2021 MAINTENANCE SERVICES OF WIND FARMS AND PHOTOVOLTAIC POWER PLANTS FRAMEWORK AGREEMENT

The principal terms of the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement are set out below:

Date

29 April 2021

Parties

- (1) The Company; and
- (2) CGN (Beijing) New Energy Technology

Principal terms

Pursuant to the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement, CGN (Beijing) New Energy Technology agreed to provide Technical Maintenance Services to all wind farms and photovoltaic power plants of the Group. CGN (Beijing) New Energy Technology shall provide comprehensive Technical Maintenance Services according to the requirements of the members of the Group.

A definitive service agreement will be entered into between CGN (Beijing) New Energy Technology and a member of the Group in accordance with the terms of the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement to provide for detailed terms of the Technical Maintenance Services, as and when such member of the Group requires Technical Maintenance Services.

Term

The term of the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement is three years from 10 July 2021 to 9 July 2024. The Company and CGN (Beijing) New Energy Technology may agree to renew the agreement three months prior to the expiry of the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement, subject to compliance with any applicable requirements under the Listing Rules.

Amendment and termination

Any amendment to the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement shall be agreed by both parties in writing, subject to compliance with any applicable requirements under the Listing Rules.

The 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement may be terminated by mutual consent in writing of both parties.

Pricing policy

The service fees for the Technical Maintenance Services to be provided by CGN (Beijing) New Energy Technology shall be determined in accordance with the market rates of the relevant Technical Maintenance Services at the time when the individual definitive agreement of the Technical Maintenance Services is entered into, provided that the service fee of any individual definitive agreement shall not exceed the lowest fee quotation obtained by a member of the Group from the other independent third parties in respect of similar Technical Maintenance Services. The market rates shall be determined in accordance with (i) the fees and terms quoted by no less than two independent third parties engaged in the provision of similar Technical Maintenance Services on normal commercial terms in the ordinary and usual course of business in the region(s) or in proximity to the region(s) where such Technical Maintenance Services are to be provided; or (ii) in the event that (i) is inapplicable, it shall be determined by both parties to the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement on an arm's length basis and on normal commercial terms.

HISTORICAL TRANSACTION AMOUNTS

The historical figures of the service fees paid or payable to CGN (Beijing) New Energy Technology under the 2020 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement were approximately RMB31.05 million and RMB1.94 million for the period from 10 July 2020 to 31 December 2020 and for the period from 1 January 2021 to the date of this announcement, respectively. The expected figure of the service fees payable to CGN (Beijing) New Energy Technology under the 2020 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement for the period from 1 January 2021 to 9 July 2021 is approximately RMB3.35 million.

ANNUAL CAPS

The table below sets out the proposed Annual Caps for the maximum service fees payable under the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement for the period from 10 July 2021 to 31 December 2021, for the two years ending 31 December 2022 and 2023, and for the period from 1 January 2024 to 9 July 2024:

	For the period from 10 July 2021 to 31 December 2021 RMB	For the year ending 31 December 2022 RMB	For the year ending 31 December 2023 RMB	For the period from 1 January 2024 to 9 July 2024 RMB
Provision of Technical Maintenance Services	80,000,000	90,000,000	100,000,000	33,750,000

In arriving at the Annual Caps for the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement, the Company considered a number of factors, in particular: (i) gross installed capacity of the relevant wind farms and photovoltaic power plants of the Group; (ii) the amount of Technical Maintenance Services expected to be required based on the expected demand of the Group's wind farms and photovoltaic power plants; (iii) the prices and installation costs of the facilities and spare parts for the wind farms and photovoltaic power plants; and (iv) a reasonable buffer to allow for the fluctuations in prices of wind farms and photovoltaic power plants facilities, materials, transportation and relevant services.

REASONS FOR AND BENEFITS OF ENTERING INTO THE 2021 MAINTENANCE SERVICES OF WIND FARMS AND PHOTOVOLTAIC POWER PLANTS FRAMEWORK AGREEMENT

The Board believes that CGN (Beijing) New Energy Technology has the expertise in the provision of Technical Maintenance Services for wind farms and photovoltaic power plants with years of experience and capacities to carry out Technical Maintenance Services across the PRC to suit the needs and requirements of the Group. Therefore, engaging CGN (Beijing) New Energy Technology to provide Technical Maintenance Services for the Group's wind farms and photovoltaic power plants will allow the Group to secure the provision of such services in a more cost-effective, timely and stable manner which the Board believes will be beneficial for both parties.

The Directors (including independent non-executive Directors) consider that the terms of the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement are on normal commercial terms and in the ordinary and usual course of business of the Company, and together with the Annual Caps thereunder, are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION ON THE PARTIES

The Company

The Company is a diversified independent power producer in Asia in terms of fuel type and geography, with a portfolio of gas-fired, coal-fired, oil-fired, wind, solar, hydro, cogen and fuel cell power generation projects in the PRC and Korea.

CGN (Beijing) New Energy Technology

CGN (Beijing) New Energy Technology is a company established in the PRC and a wholly-owned subsidiary of CGN Solar Energy. CGN (Beijing) New Energy Technology is principally engaged in construction project management, heat supply (for electricity sales only), technology development, promotion, instruments and meters, mechanical equipment, computer software, hardware and support services, communications equipment, specialised equipment, and other services. For details of its ultimate beneficial owners, please refer to the paragraphs headed "CGN Solar Energy", "The CGN Group" and "Shenzhen CGN Fengtai Investment Co., Ltd.*" below of this announcement.

CGN Solar Energy

CGN Solar Energy is a company established in the PRC and a non-wholly owned subsidiary of CGN. As at the date of this announcement, CGN Solar Energy is owned as to approximately 64.4% by CGN and approximately 35.6% by Shenzhen CGN Fengtai Investment Co., Ltd.* (深圳中廣核風太投資有限公司), respectively. CGN Solar Energy is principally engaged in the development and operation of solar power plants in the PRC. For details of its ultimate beneficial owners, please refer to the paragraphs headed “The CGN Group” and “Shenzhen CGN Fengtai Investment Co., Ltd.*” below of this announcement.

The CGN Group

CGN is a state-owned enterprise established in the PRC and the controlling shareholder of the Company. The CGN Group is principally engaged in the generation and sale of power, construction, operation and management of nuclear, clean and renewable power project. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the equity interest of CGN is held as to 90% by State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會) and 10% by Guangdong Hengjian Investment Holding Co., Ltd. (廣東恒健投資控股有限公司), a Guangdong Provincial Government owned enterprise which is principally engaged in state-owned assets operation and management within the scope of authority, state-owned equity interests operation and management, entrusted management, capital operations, funds investment and management, equity interests investment and management, financial investment, finance leasing, insurance brokerage, industry research as well as investment and consultation business for conducting the abovementioned businesses.

Shenzhen CGN Fengtai Investment Co., Ltd.*

Shenzhen CGN Fengtai Investment Co., Ltd.* (深圳中廣核風太投資有限公司) is a non-wholly owned subsidiary of CGN. It is principally engaged in investment of new energy. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the equity interest of Shenzhen CGN Fengtai Investment Co., Ltd.* is held as to 51% by CGN and 49% by Shenzhen CGN Hengjian No. 1 New Energy Partnership Enterprise (Limited Partnership) (深圳中廣核恒健一號新能源合夥企業(有限合夥)), a limited partnership established in the PRC, which is owned as to 1% by CGN and 99% by Guangdong Hengjian Investment Holding Co., Ltd. (廣東恒健投資控股有限公司), a Guangdong Provincial Government owned enterprise which is principally engaged in state-owned assets operation and management within the scope of authority, state-owned equity interests operation and management, entrusted management, capital operations, funds investment and management, equity interests investment and management, financial investment, finance leasing, insurance brokerage, industry research as well as investment and consultation business for conducting the abovementioned businesses.

APPROVAL BY THE BOARD

None of the Directors has a material interest in the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement. As the Overlapping Directors are directors and/or senior management of certain members of the CGN Group, for good corporate governance, they have abstained from voting on the resolutions of the Board approving the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement and the Annual Caps.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CGN (Beijing) New Energy Technology is a wholly-owned subsidiary of CGN Solar Energy and CGN Solar Energy is a non-wholly owned subsidiary of CGN. CGN is the controlling shareholder of the Company indirectly holding approximately 72.29% of the issued share capital of the Company as at the date of this announcement. Therefore, CGN (Beijing) New Energy Technology is a connected person of the Company under the Listing Rules and the transactions contemplated under the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Given that the highest of the applicable percentage ratios in relation to the Annual Caps is more than 0.1% but less than 5%, the continuing connected transactions contemplated under the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement are exempt from the Independent Shareholders' approval requirement but are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“2020 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement”	the framework agreement dated 10 July 2020 entered into between the Company and CGN (Beijing) New Energy Technology for the provision of Technical Maintenance Services by CGN (Beijing) New Energy Technology to the Group in respect of certain wind farms and photovoltaic power plants of the Group, the details of which are set out in the Announcement
“2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement”	the framework agreement dated 29 April 2021 entered into between the Company and CGN (Beijing) New Energy Technology for the provision of Technical Maintenance Services by CGN (Beijing) New Energy Technology to the Group in respect of all wind farms and photovoltaic power plants of the Group, the details of which are set out in this announcement
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Announcement”	the announcement of the Company dated 10 July 2020 in respect of the continuing connected transactions contemplated under the 2020 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement

“Annual Caps”	the annual caps in respect of the continuing connected transactions contemplated under the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement for the period from 10 July 2021 to 31 December 2021, for the two years ending 31 December 2022 and 2023, and for the period from 1 January 2024 to 9 July 2024
“Board”	the board of directors of the Company
“CGN”	China General Nuclear Power Corporation (中國廣核集團有限公司), the controlling shareholder of the Company indirectly holding approximately 72.29% of the issued share capital in the Company as at the date of this announcement
“CGN (Beijing) New Energy Technology”	CGN (Beijing) New Energy Technology Co., Limited (中廣核(北京)新能源科技有限公司), a company established in the PRC and a wholly-owned subsidiary of CGN Solar Energy
“CGN Group”	CGN and its subsidiaries, excluding the Group
“CGN Solar Energy”	CGN Solar Energy Development Co., Ltd. (中廣核太陽能開發有限公司), a company established in the PRC and a non-wholly owned subsidiary of CGN
“Company”	CGN New Energy Holdings Co., Ltd. (中國廣核新能源控股有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1811)
“connected person”	has the meaning ascribed thereto under the Listing Rules

“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Shareholders”	the Shareholders other than CGN and its associates (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Overlapping Directors”	Directors who are also director and/or senior management of certain members of the CGN Group, namely Mr. Chen Sui, Mr. Li Yilun, Mr. Zhang Zhiwu and Mr. Xia Linqun
“PRC”	The People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	registered holder(s) of the share(s) of the Company
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Technical Maintenance Services”

the maintenance services to be provided by CGN (Beijing) New Energy Technology which may include the provision of information services, two measures services, overhaul services, repairs, maintenance and upgrading of facilities and equipment, regular inspection services, and pre-testing services, installation and replacement of equipment and spare parts services, and services relating to the implementation of intelligent systems

“%”

per cent.

* *For identification purpose only*

By Order of the Board
CGN New Energy Holdings Co., Ltd.
Li Yilun
President and Executive Director

Hong Kong, 29 April 2021

As at the date of this announcement, the Board comprises seven Directors, namely:

Chairman and non-executive Director : *Mr. Chen Sui*

President and executive Directors : *Mr. Li Yilun (President) and
Mr. Zhang Zhiwu*

Non-executive Director : *Mr. Xia Linqun*

Independent non-executive Directors : *Mr. Wang Minhao,
Mr. Yang Xiaosheng and
Mr. Leung Chi Ching Frederick*