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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)**

### **CONNECTED TRANSACTION IN RELATION TO THE HEFEI ROOFTOP LEASE AGREEMENT**

#### **THE HEFEI ROOFTOP LEASE AGREEMENT**

On 6 December 2024 (after trading hours), Changfeng Zhongkai (an indirect wholly-owned subsidiary of the Company) as lessee entered into the Hefei Rooftop Lease Agreement with Hefei Blogis as lessor, pursuant to which Hefei Blogis shall lease to Changfeng Zhongkai the rooftops of the logistics park located in Shuangfeng Economic Development Zone, Hefei, Anhui Province, the PRC for the design, construction, installation and operation of rooftop solar photovoltaic power systems by the Group to expand the Group's business in new energy.

#### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Hefei Blogis is a direct wholly-owned subsidiary of China Nanshan. China Nanshan is the holding company of Nanshan Holdings, a substantial shareholder of the Company. As such, Hefei Blogis is regarded as an associate of Nanshan Holdings, and hence it is a connected person of the Company pursuant to Rule 14A.13(1) of the Listing Rules.

Pursuant to the requirement of HKFRS16, the Rooftop Lease under the Hefei Rooftop Lease Agreement will be recognized as the right-of-use assets of the Group for an amount of approximately RMB10,024,769. Accordingly, the Rooftop Lease contemplated under the Hefei Rooftop Lease Agreement constitutes a one-off connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the Rooftop Lease contemplated under the Hefei Rooftop Lease Agreement calculated in accordance with the Listing Rules, on the basis of the value of the right-of-use assets to be recognized by the Group in connection with the Rooftop Lease, exceeds 0.1% but is less than 5%, the Rooftop Lease contemplated under the Hefei Rooftop Lease Agreement is subject to the reporting and announcement requirements, but is exempt from independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **THE HEFEI ROOFTOP LEASE AGREEMENT**

The Board is pleased to announce that on 6 December 2024 (after trading hours), Changfeng Zhongkai (an indirect wholly-owned subsidiary of the Company) as lessee entered into the Hefei Rooftop Lease Agreement with Hefei Blogis as lessor.

The principal terms of the Hefei Rooftop Lease Agreement are set out as follows:

### **Date**

6 December 2024 (after trading hours)

### **Parties**

- (1) Hefei Blogis (as lessor), a direct wholly-owned subsidiary of China Nanshan; and
- (2) Changfeng Zhongkai (as lessee), an indirect wholly-owned subsidiary of the Company.

### **Term**

20 years, commencing from the effective date of the Hefei Rooftop Lease Agreement (i.e. 6 December 2024) and up to 5 December 2044 (both days inclusive).

### **Premises**

Hefei Blogis shall lease to Changfeng Zhongkai the rooftops of the logistic park located in Shuangfeng Economic Development Zone, Hefei, Anhui Province, the PRC with an aggregate area of approximately 102,200 sq.m. for the design, construction, installation and operation of rooftop solar photovoltaic power systems by the Group to meet the business plan of the Group for rooftop solar photovoltaic power systems.

## **Rent**

Pursuant to the terms of the Hefei Rooftop Lease Agreement, the rent payable for the rooftops shall be calculated based on the actual area of the rooftops being leased (being in aggregate approximately 102,200 sq.m.) at the agreed rates of RMB5.5 per sq.m. per year. The annual rental shall be approximately RMB562,100 (tax inclusive), which will be funded by the Group's internal resources.

The above rates were determined pursuant to the Hefei Rooftop Lease Agreement after arm's length negotiations between the parties with reference to the leased area of the rooftops, the prevailing market conditions and the prevailing market rental rates of comparable rooftops in the vicinity.

## **Payment Term**

The rent for the Rooftop Lease under the Hefei Rooftop Lease Agreement shall be paid yearly.

## **REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE HEFEI ROOFTOP LEASE AGREEMENT**

The Group is of the view that the national policies of the PRC are dedicated to develop new energy system nationwide, including the photovoltaic power generation segment. The Group wishes to seize this market opportunity with its abundant of expertise and resources at an industry-leading level to expand its market share in the new energy industry. The establishment of photovoltaic power stations by full utilizing rooftop resources in segments like logistic parks, facilitated by the transaction pursuant to the Hefei Rooftop Lease Agreement, will continue to expand and boost the Group's new energy business in the long term.

The Company intends to collaborate with the wholly-owned subsidiary of China Nanshan to advance the photovoltaic project development in order to meet their business needs. The entering into of the Hefei Rooftop Lease Agreement will allow the Group to take advantage of the logistic park resources owned by China Nanshan.

The Directors (including the independent non-executive Directors) are of the view that the Hefei Rooftop Lease Agreement has been entered into in the ordinary and usual course of business of the Group and on normal commercial terms or better to the Group after arm's length negotiations between the parties, and the terms of the Hefei Rooftop Lease Agreement and the transaction contemplated thereunder are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **INFORMATION OF THE PARTIES**

### **The Group**

The Group is principally engaged in new energy operations, including (a) the engineering, procurement and construction (“EPC”) and consultancy segment which comprises the Group's EPC and consulting services related to the construction of photovoltaic power plants and other general construction and engineering services; (b) the power generation segment which comprises the Group's power generation operations; (c) the financing segment which comprises the Group's financing operations; (d) the manufacturing and trading business segment which comprises the Group's manufacturing and trading of solar power related products; and (e) the other segments which comprise the Group's corporate management, investment and treasury services.

Changfeng Zhongkai is a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company, and it is principally engaged in solar power generation.

### **Hefei Blogis**

Hefei Blogis is a limited liability company established under the laws of the PRC. It is principally engaged in the development, sale, leasing and property management of real estate, professional markets, cultural and tourism properties and ancillary facilities, etc.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, Hefei Blogis is a wholly-owned subsidiary of China Nanshan. The single largest shareholder of China Nanshan is China Merchants (Nanshan), which holds approximately 36.52% shareholding in China Nanshan. China Merchants (Nanshan) is a wholly-owned subsidiary of China Merchants Port Holdings Company Limited, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 144).

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Hefei Blogis is a direct wholly-owned subsidiary of China Nanshan. China Nanshan is the holding company of Nanshan Holdings, a substantial shareholder of the Company. As such, Hefei Blogis is regarded as an associate of Nanshan Holdings, and hence it is a connected person of the Company pursuant to Rule 14A.13(1) of the Listing Rules.

Pursuant to the requirement of HKFRS16, the Rooftop Lease under the Hefei Rooftop Lease Agreement will be recognized as the right-of-use assets of the Group for an amount of approximately RMB10,024,769. Accordingly, the Rooftop Lease contemplated under the Hefei Rooftop Lease Agreement constitutes a one-off connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the Rooftop Lease contemplated under the Hefei Rooftop Lease Agreement calculated in accordance with the Listing Rules, on the basis of the value of the right-of-use assets to be recognized by the Group in connection with the Rooftop Lease, exceeds 0.1% but is less than 5%, the Rooftop Lease contemplated under the Hefei Rooftop Lease Agreement is subject to the reporting and announcement requirements, but is exempt from independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **APPROVAL BY THE BOARD**

Among the Directors, (i) Mr. SHU Qian holds directorship in Nanshan Holdings; (ii) Mr. LI Hongwei served as operations director and board secretary of China Nanshan; and (iii) Ms. HUANG Yan served as deputy director of finance and general manager of the financial management center of China Nanshan. Accordingly, they are considered to have material interests in the transaction contemplated under the Hefei Rooftop Lease Agreement. Mr. SHU Qian, Mr. LI Hongwei and Ms. HUANG Yan had abstained from approving the resolutions in respect of the Hefei Rooftop Lease Agreement.

Save as disclosed above, none of the Directors has a material interest in the transaction contemplated under the Hefei Rooftop Lease Agreement and none of them has abstained from approving the relevant Board resolutions.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings as set out below:

“associate(s)”	has the meaning as ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Changfeng Zhongkai”	Changfeng Zhongkai Herui Photovoltaic Power Generation Co., Ltd.*(長豐縣中開核瑞光伏發電有限公司), a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
“China Merchants (Nanshan)”	China Merchants (Nanshan) Holdings Limited (招商局(南山)控股有限公司), a company incorporated in Hong Kong with limited liability, the controlling shareholder of China Nanshan and which is wholly owned by China Merchants Port Holdings Company Limited, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 144)
“China Nanshan”	China Nanshan Development (Group) Incorporation* (中國南山開發(集團)股份有限公司), a company established in the PRC with limited liability, the controlling shareholder of Nanshan Holdings and a major shareholder of which is China Merchants (Nanshan)
“Company”	China Nuclear Energy Technology Corporation Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meanings as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“Group”	the Company and its subsidiaries
“Hefei Blogis”	Hefei Blogis International Logistics Center Co., Ltd.* (合肥寶灣國際物流中心有限公司), a limited liability company established under the laws of the PRC and a direct wholly-owned subsidiary of China Nanshan
“Hefei Rooftop Lease Agreement”	the agreement entered into on 6 December 2024 between Hefei Blogis (as lessor) and Changfeng Zhongkai (as lessee) in relation to the lease of rooftops
“HKFRS”	Hong Kong Financial Reporting Standards
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Nanshan Holdings”	Shenzhen New Nanshan Holding (Group) Co., Ltd.* (深圳市新南山控股(集團)股份有限公司), a joint stock company established in the PRC with limited liability and listed on the Shenzhen Stock Exchange (stock code: 002314)
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purpose of this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Rooftop Lease”	the lease of the rooftops for the design, construction, installation and operation of rooftop solar photovoltaic power systems by the Group, as contemplated under the Hefei Rooftop Lease Agreement
“Shareholders”	holder(s) of issued share(s) of the Company

“sq.m.” square meter

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“%” percent

\* *For identification purpose only*

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

Hong Kong, 6 December 2024

*As at the date of this announcement, the executive Directors of the Company are Mr. Shu Qian (Chairman), Mr. Wu Rong (Vice Chairman), Mr. Li Hongwei (Vice Chairman), Mr. Liu Genyu, Ms. Huang Yan and Ms. Du Ruili; and the independent non-executive Directors of the Company are Dr. Xu Shiqing, Dr. Su Lixin and Mr. Wang Ruzhang.*