

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 IN RELATION TO
THE DEVELOPMENT OF 80MW PHOTOVOLTAIC POWER STATION
IN YUNNAN OF THE PRC**

**DEVELOPMENT OF 80MW PHOTOVOLTAIC POWER STATION IN YUNNAN OF
THE PRC**

On 28 February 2022 (after trading hours), CNI Nanjing (an indirect wholly-owned subsidiary of the Company) (as purchaser) entered into the Equipment Purchase Agreement with Jinko Solar (as supplier) for the development of the photovoltaic power station with a total capacity of 80MW in Zhenkang County of Lincang City, Yunnan Province of the PRC. The consideration of the Equipment Purchase Agreement is RMB184,497,749 (equivalent to approximately HK\$227,415,626). It is expected that the Zhenkang Photovoltaic Power Station will be connected to grid on or before 31 May 2022. Upon completion of the construction, the Zhenkang Photovoltaic Power Station shall be owned and operated by the Group.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Equipment Purchase Agreement exceeds 5% but is less than 25%, the entering into the Equipment Purchase Agreement constitutes a disclosable transaction of the Company under Chapter 14 of the Listing Rules which is subject to reporting and announcement requirements thereunder.

DEVELOPMENT OF ZHENKANG PHOTOVOLTAIC POWER STATION

On 28 February 2022 (after trading hours), CNI Nanjing (an indirect wholly-owned subsidiary of the Company) (as purchaser) entered into the Equipment Purchase Agreement with Jinko Solar (as supplier) for the development of the photovoltaic power station with a total capacity of 80MW in Zhenkang County of Lincang City, Yunnan Province of the PRC. The consideration of the Equipment Purchase Agreement is RMB184,497,749 (equivalent to approximately HK\$227,415,626). It is expected that the Zhenkang Photovoltaic Power Station will be connected to grid on or before 31 May 2022. Upon completion of the construction, the Zhenkang Photovoltaic Power Station shall be owned and operated by the Group.

PRINCIPAL TERMS OF THE EQUIPMENT PURCHASE AGREEMENT

Date

28 February 2022 (after trading hours)

Parties

- (i) CNI Nanjing, as purchaser; and
- (ii) Jinko Solar, as supplier.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Jinko Solar and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Subject matter

CNI Nanjing agreed to engage Jinko Solar to provide the Equipment in relation to the Zhenkang Project. The Zhenkang Project is expected to satisfy the conditions for on-grid connection by 31 May 2022.

Consideration

The total consideration for the services under the Equipment Purchase Agreement shall be RMB184,497,749 (equivalent to approximately HK\$227,415,626), comprising of:

- (1) the Equipment fee for approximately RMB179,497,810 (equivalent to approximately HK\$221,252,601); and
- (2) the transportation and miscellaneous fee and insurance fee for approximately RMB4,999,939 (equivalent to approximately HK\$6,163,025).

Payment Terms

The consideration for the Equipment under the Equipment Purchase Agreement shall be paid by CNI Nanjing to Jinko Solar in accordance with the following payment time:

- (1) Within 7 days from the effective date of the agreement, Jinko Solar shall provide CNI Nanjing with the materials specified in the technical agreement, the production schedule, the financial receipt in the amount of 20% of the total contract price and the bank performance guarantee in the amount of 20% of the Equipment Purchase Agreement price. Upon verification of the above, 20% of the Equipment Purchase Agreement price is paid to the seller as an advance payment for the Equipment before shipment;
- (2) 80% of the Equipment Purchase Agreement price is due in batches per shipment;
- (3) Jinko Solar shall provide CNI Nanjing with a bank quality guarantee of 5% of the Equipment Purchase Agreement price within 30 days of the arrival of the Equipment, which shall take effect from the date of issuance of the quality guarantee and shall be valid until 12 months after the acceptance of all Equipment on the spot or the settlement of dispute.

The consideration shall be financed through internal resources of the Company and/or borrowing.

INFORMATION OF THE PARTIES TO THE DISCLOSEABLE TRANSACTION

Jinko Solar

Jinko Solar is a photovoltaic manufacturer with a vertically integrated industrial chain, covering the production of silicon ingots, wafers, cells and efficient single polycrystalline photovoltaic module manufacturing. As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Jinkosolar Holding Co Ltd (NYSE: JKS) is the indirect controlling shareholder of Jinko Solar.

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 operations relating to construction of photovoltaic power plant 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. 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 via its associated companies.

REASONS AND BENEFITS OF THE DISCLOSEABLE TRANSACTION

The Group has been committed to maintaining and operating its own power plants in the PRC over years. The Directors consider that the development of the Zhenkang Photovoltaic Power Station will further diversify the Group's business portfolio and bring additional source of profit to the Group.

The Group conducted an open tender in January 2022 for the supply of the Equipment under the Zhenkang Project. There were a total of 8 bidders participated in the open tender and all parties are independent of and not connected with the Company and its connected person and are independent with each other. Jinko Solar was granted the Equipment Purchase Agreement as it scored the highest among all the bidders in terms of its technological competence, proposed consideration, commercial terms and business reputation.

The terms of the Equipment Purchase Agreement were determined based on the terms of the aforesaid open tender and after arm's length negotiations among the parties thereto. The Directors, including the independent non-executive Directors, have confirmed that the terms of the Equipment Purchase Agreement are fair and reasonable, and the transaction contemplated thereunder are on normal commercial terms or better in the ordinary and usual course of business of the Group, and in the interests of the Company and its shareholders as a whole. No Director has any material interest in the transaction contemplated under the Equipment Purchase Agreement.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Equipment Purchase Agreement exceeds 5% but is less than 25%, the entering into the Equipment Purchase Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules which is subject to reporting and announcement requirements thereunder.

DEFINITIONS

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

“Board”	the board of Directors;
“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”	has the meaning ascribed to it under the Listing Rules;

“Director(s)”	the director(s) of the Company;
“Equipment”	the subject matter of the Equipment Purchase Agreement, being single-sided monocrystalline silicon photovoltaic module and other accessory products and materials, to be used for construction and operation of the Zhenkang Photovoltaic Power Station;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HK\$”	the lawful currency of Hong Kong;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“MW”	Megawatt (1,000,000 watts), the commonly used unit of power in quantifying the electricity generation;
“Equipment Purchase Agreement”	the Equipment Purchase agreement dated 28 February entered into between CNI Nanjing and Jinko Solar in relation to the Zhenkang Project;
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholders”	shareholders of the Company;
“Jinko Solar”	晶科能源股份有限公司 (transliterated as Jinko Solar Co., Ltd.), a company established in the PRC with limited liability;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	has the meaning ascribed to it under the Listing Rules;

“CNI Nanjing” 中核(南京)能源發展有限公司 (CNI (Nanjing) Energy Development Company Limited), a company established in the PRC with limited liability and an indirect whollyowned subsidiary of the Company;

“Zhenkang Photovoltaic Power Station” the agricultural complementary photovoltaic power station with a total installed capacity of 80MW located in Zhenkang County of Lincang City, Yunnan Province of the PRC.

By Order of the Board
China Nuclear Energy Technology Corporation Limited
Zhao Yixin
Chairman

Hong Kong, 28 February 2022

As at the date of this announcement, the executive Directors of the Company are Mr. Zhao Yixin (Chairman), Mr. Liu Genyu (Vice Chairman), Mr. Chung Chi Shing, Mr. Fu Zhigang (Chief Executive Officer), Ms. Jian Qing, Mr. Li Jinying, Mr. Tang Jianhua (Chief Operation Officer), Mr. Wu Yuanchen; and the independent non-executive Directors of the Company are Mr. Chan Ka Ling Edmond, Mr. Kang Xinquan, Mr. Tian Aiping and Mr. Wang Jimin.

* *For identification purpose only*