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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)**

**UPDATE ON DISCLOSEABLE TRANSACTION  
RELATING TO  
THE AMENDMENT TO CERTAIN TERMS OF  
THE BAOFENG FINANCE LEASE AGREEMENT AND  
THE WEIFANG FINANCE LEASE AGREEMENT**

Reference is made to the announcements (the “**Announcements**”) dated 9 June 2017 and 18 August 2017 in relation to the Finance Lease Company entering into of (a) the BECE Finance Lease Agreements with Baofeng Clean Energy, Wuhu Clean Energy and Xinxiang Beikong respectively; and (b) the Weifang Finance Lease Agreement with Weifang Mingfeng. Unless otherwise specified, capitalised terms in this announcement shall have the same meanings as those defined in the Announcements.

The Board would like to update the Shareholders that on 5 June 2018, the parties to the Baofeng Finance Lease Agreement and the Weifang Finance Lease Agreement have agreed to amend certain terms of the respective agreements (the “**Amendments**”).

**AMENDMENT OF BAOFENG FINANCE LEASE AGREEMENT**

The Board announces that STEE, the Finance Lease Company and Baofeng Clean Energy entered into an agreement (the “**Baofeng Clean Energy Agreement**”) on 5 June 2018 whereby the parties agreed that (a) the principal amount of the finance lease for Baofeng Clean Energy will be restated to RMB64,000,000 (equivalent to approximately HK\$78,275,014) from RMB75,000,000 (equivalent to approximately HK\$91,728,532) with

effect from the date of the Baofeng Finance Lease Agreement; and (b) the rates for interest and handling fee payable by Baofeng Clean Energy remain unchanged. Accordingly, (i) the total non-refundable handling fee decreased from RMB4,275,000 (equivalent to approximately HK\$5,228,526) to RMB3,648,000 (equivalent to approximately HK\$4,461,676); (ii) the total estimated aggregate interest decreased from approximately RMB18,687,375 (equivalent to approximately HK\$22,855,540) to approximately RMB16,315,200 (equivalent to approximately HK\$19,954,258); and (iii) the estimated aggregate lease consideration payable by Baofeng Clean Energy for the Baofeng Leased Assets shall be adjusted from approximately RMB97,962,375 (equivalent to approximately HK\$119,812,599) to approximately RMB83,963,200 (equivalent to approximately HK\$102,690,948). As the first installment of the original handling fee of RMB1,800,000 (equivalent to approximately HK\$2,201,485) had been settled by Baofeng Clean Energy, an amount of RMB264,000 (equivalent to approximately HK\$322,884) handling fee shall be refunded to Baofeng Clean Energy by the Finance Lease Company pursuant to the Baofeng Clean Energy Agreement. Under the Baofeng Clean Energy Agreement, the consideration for the purchase of the Baofeng Leased Assets under the Baofeng Purchase Agreement payable by the Finance Lease Company to STEE shall be adjusted from RMB75,000,000 (equivalent to approximately HK\$91,728,532) to RMB64,000,000 (equivalent to approximately HK\$78,275,014). Other terms and conditions of the Baofeng Finance Lease Agreement remain unchanged.

#### **AMENDMENT OF WEIFANG FINANCE LEASE AGREEMENT**

The Board announces that STEE, the Finance Lease Company, Weifang Mingfeng and BCE Electricity entered into an agreement (the “**Weifang Mingfeng Agreement**”) on 5 June 2018 whereby the parties agreed that (a) the total non-refundable handling fee increased from RMB2,124,000 (equivalent to approximately HK\$2,597,752) to RMB2,952,000 (equivalent to approximately HK\$3,610,435) which is calculated as to (i) 2% of the principal financing amount for the first and second year, (ii) 0.8% of the principal financing amount for the third, fourth and fifth year; and (iii) 0.6% of the principal financing amount for the sixth, seventh and eighth year; and (b) the interest payment increased from RMB8,731,800 (equivalent to approximately HK\$10,679,403) to RMB9,806,966 (equivalent to approximately HK\$11,994,381) that is calculated at 125% of the benchmark lending rate which is currently 6.125% per annum. Weifang Mingfeng has already fully settled the original handling fee of RMB936,000 (equivalent to approximately HK\$1,144,772) in respect of the first and second year and has agreed to top up the balance of RMB504,000 (equivalent to approximately HK\$616,416) pursuant to the Weifang Mingfeng Agreement. Other terms and conditions of the Weifang Finance Lease Agreement remain unchanged.

## **REASONS FOR THE AMENDMENTS**

The Amendments were determined on arm's length negotiation among the respective parties to the Baofeng Clean Energy Agreement and the Weifeng Mingfeng Agreement by reference to (i) a general reduction in market price of the Baofeng Leased Assets; (ii) the cost of funds of the Group; and (iii) the prevailing financial market situation. The Directors are of the view that the terms and conditions of the Baofeng Clean Energy Agreement and the Weifang Mingfeng Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

Given that the Amendments do not have material impact on the applicable percentage ratios (as defined under the Listing Rules) in respect of the BECE Finance Lease Agreements and the Weifang Finance Lease Agreement, the transactions contemplated under the BECE Finance Lease Agreements, the Weifang Finance Lease Agreement, the Baofeng Clean Energy Agreement and the Weifang Mingfeng Agreement in aggregate remain a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

By Order of the Board

**China Nuclear Energy Technology Corporation Limited**

**Ai Yilun**

*Chairman*

Hong Kong, 5 June 2018

*For illustration purposes only, any amount denominated in RMB in this announcement and translated in HK\$ at the rate of HK\$1 = RMB0.81763. Such translation should not be construed as a representation that the amounts in question have been, could have been or could be, converted at any particular rate at all.*

*As at the date of this announcement, the executive Directors are Mr. Ai Yilun (Chairman), Mr. Liu Genyu (Vice Chairman), Mr. Chung Chi Shing, Ms. Jian Qing, Mr. Li Feng, Mr. Li Jinying, Mr. Tang Jianhua (Chief Operating Officer) and Mr. Zhang Rui (Chief Executive Officer) and the independent non-executive Directors are Mr. Chan Ka Ling Edmond, Mr. Li Dakuan, Mr. Tian Aiping and Mr. Wang Jimin.*