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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)**

### **PROPOSED SHARE PREMIUM REDUCTION**

The Board intends to put a proposal to Shareholders at the Annual General Meeting to reduce the share premium of the Company in accordance with applicable laws of Bermuda and the Bye-laws.

A circular containing, among other things, further details of the Share Premium Reduction together with a notice convening the Annual General Meeting will be despatched to Shareholders as soon as practicable.

### **SHARE PREMIUM REDUCTION**

The Board intends to put a proposal to Shareholders at the Annual General Meeting to reduce the share premium of the Company in accordance with applicable laws of Bermuda and the Bye-laws.

As at 31 December 2021, based on the audited consolidated financial statements of the Company, the amount standing to the credit of the share premium account of the Company was HK\$1,527,293,000 and the accumulated losses of the Company was HK\$1,542,875,000. It is proposed that an amount of HK\$1,527,293,000 standing to the credit of the share premium account of the Company as at 31 December 2021 will be reduced with the credit

arising therefrom being transferred to the contributed surplus of the Company. Upon the said transfer becoming effective, an amount of HK\$1,542,875,000 standing to the contributed surplus of the Company will be applied to eliminate the audited accumulated losses of the Company as at 31 December 2021.

### **Reasons for the Share Premium Reduction**

The Directors propose the Share Premium Reduction as they consider it unnecessary to maintain the Share Premium Account at its current level. The Share Premium Reduction and the subsequent transfer of the credit arising therefrom to the Contributed Surplus Account will increase the distributable reserves of the Company and give the Company greater flexibility. The Contributed Surplus Account is a distributable reserve which is available to be applied by the Company in a more general manner as the Board may think fit, including but not limited to, payment of dividends to Shareholders, issue of bonus shares, elimination of accumulated losses and the repurchase of Shares. The Board believes that the Share Premium Reduction is in the interests of the Company and Shareholders as a whole.

### **Effect of the Share Premium Reduction**

The implementation of the Share Premium Reduction does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or the trading arrangements concerning the Shares. Save for the expenses incurred by the Company in relation to the Share Premium Reduction, the implementation of the Share Premium Reduction will not, in itself, have any material adverse effect on the underlying assets, liabilities, business operations, management or financial position of the Company or the interests of Shareholders as a whole.

### **Conditions of the Share Premium Reduction**

The Share Premium Reduction is conditional upon:

1. the passing of a special resolution by Shareholders to approve the Share Premium Reduction at the Annual General Meeting; and
2. compliance with section 46(2) of the Companies Act, including (i) the publication of a notice in relation to the Share Premium Reduction in an appointed newspaper in Bermuda on a date not more than 30 days and not less than 15 days before the Effective Date, and (ii) the Board being satisfied that on the Effective Date, there are no reasonable grounds for believing that the Company is, or after the Share Premium Reduction would be, unable to pay its liabilities as they become due.

Subject to the fulfilment of the above conditions, it is expected that the Share Premium Reduction shall become effective on the date of the Annual General Meeting.

## **GENERAL**

A circular containing, among other things, further details of the Share Premium Reduction together with a notice convening the Annual General Meeting will be despatched to Shareholders as soon as practicable. No Shareholder is required to abstain from voting on the resolution proposed to consider and approve the Share Premium Reduction.

## **DEFINITIONS**

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

“Annual General Meeting”	the forthcoming annual general meeting of the Company
“Board”	the board of Directors
“Companies Act”	the Companies Act 1981 of the laws of Bermuda, as amended from time to time
“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
“Director(s)”	the director(s) of the Company
“Bye-laws”	the bye-laws of the Company, as amended, supplemented or modified from time to time
“Contributed Surplus Account”	the contributed surplus account of the Company
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company

“Shareholders”	holders of Shares
“Share Premium Account”	the share premium account of the Company
“Share Premium Reduction”	the proposed reduction of an amount of HK1,527,293,000 standing to the credit of the Share Premium Account as at 31 December 2021 to be considered and, if thought fit, passed by Shareholders at the Annual General Meeting
“HK\$”	the lawful currency of Hong Kong

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

Hong Kong, 14 April 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.*