

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.



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
Wind Farms and Photovoltaic Power Plants Operation and
Maintenance Services Framework Agreement**

On 20 November 2024, the Company and CGN (Beijing) New Energy Technology entered into the Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services Framework Agreement for a period from 20 November 2024 to 31 December 2026, 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, which is a non-wholly owned subsidiary of CGN. CGN is the controlling shareholder of the Company, indirectly holding approximately 72.30% 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 Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services 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 Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services 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.

THE WIND FARMS AND PHOTOVOLTAIC POWER PLANTS OPERATION AND MAINTENANCE SERVICES FRAMEWORK AGREEMENT

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

Date

20 November 2024

Parties

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

Principal terms

Pursuant to the Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services 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 Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services Framework Agreement to provide for detailed terms of the Technical Maintenance Services, as and when such member of the Group requires Technical Maintenance Services.

Period

The period of the Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services Framework Agreement commences from 20 November 2024 and ends on 31 December 2026, subject to renewal by the Company upon compliance with any applicable requirements under the Listing Rules.

Amendment and termination

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

The Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services Framework Agreement may be terminated if there is any change to the Listing Rules, applicable laws or governmental policies that renders the performance impossible.

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 will 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 Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services 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 in relation to the similar technical maintenance services provided to the Group's wind farms and photovoltaic power plants for the three years ended 31 December 2023, and for the period from 1 January 2024 to 9 July 2024 (i.e., the date on which the 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement ends) are approximately RMB48.9 million, RMB24.0 million, RMB49.7 million and RMB20.7 million, respectively.

ANNUAL CAPS

The table below sets out the proposed Annual Caps for the maximum service fees payable under the Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services Framework Agreement for the period from 20 November 2024 to 31 December 2024, and for the two years ending 31 December 2026:

	For the period from 20 November 2024 to 31 December 2024 RMB	For the year ending 31 December 2025 RMB	For the year ending 31 December 2026 RMB
Provision of Technical Maintenance Services	50,000,000	90,000,000	100,000,000

In determining the Annual Caps for the Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services 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 anticipated amount of Technical Maintenance Services 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 account 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 WIND FARMS AND PHOTOVOLTAIC POWER PLANTS OPERATION AND MAINTENANCE SERVICES FRAMEWORK AGREEMENT

The Board believes that CGN (Beijing) New Energy Technology has the expertise, years of experience, and capacity to provide Technical Maintenance Services for wind farms and photovoltaic power plants across the PRC, meeting the needs and requirements of the Group. In addition, during the period of 2021 Maintenance Services of Wind Farms and Photovoltaic Power Plants Framework Agreement, CGN (Beijing) New Energy Technology provided high quality services in terms of guaranteed material supply, the application of new products and technologies, and digitisation construction, which contributed to the stable operation of the wind farms and photovoltaic power plants as well as the improvement of the equipment efficiency. Therefore, engaging CGN (Beijing) New Energy Technology to provide Technical Maintenance Services for the Group's wind farms and photovoltaic power plants will enable the Group to secure 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 Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services 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 terms of fuel type and geography, with a portfolio of gas-fired, coal-fired, oil-fired, wind, solar, hydro, cogen, fuel cell and biomass projects in the PRC and Korea power markets.

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", "CGN Wind Energy" and "The CGN Group" below.

CGN Solar Energy

CGN Solar Energy is a company established in the PRC and a wholly owned subsidiary of CGN Wind Energy. CGN Solar Energy is principally engaged in the development and operation of solar power plants in the PRC. For details of its ultimate beneficial owner, please refer to the paragraphs headed “CGN Wind Energy” and “The CGN Group” below.

CGN Wind Energy

CGN Wind Energy is a company established in the PRC and a non-wholly owned subsidiary of CGN. As at the date of this announcement, CGN holds approximately 43% equity interests in CGN Wind Energy directly and 24% equity interests indirectly through its wholly owned subsidiary, Shenzhen CGN Fengtai Investment Co., Ltd.* (深圳中廣核風太投資有限公司). Shenzhen CGN Fengtai Investment Co., Ltd.* is principally engaged in investment of new energy. The remaining equity interests of CGN Wind Energy are held by fourteen (14) third parties independent of the Group and its connected persons. CGN Wind Energy is principally engaged in the development and operations of wind power plants in the PRC. For details of CGN, please refer to the paragraph headed “The CGN Group” below.

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, and the construction, operation and management of nuclear power projects and non-nuclear clean energy projects. 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.

APPROVAL BY THE BOARD

None of the Directors has a material interest in the Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services 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 Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services 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, which is a non-wholly owned subsidiary of CGN. CGN is the controlling shareholder of the Company, indirectly holding approximately 72.30% 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 Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services 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 Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services 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:

“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 the Company's announcement dated 29 April 2021
“Annual Caps”	the proposed annual caps in respect of the continuing connected transactions contemplated under the Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services Framework Agreement for the period from 20 November 2024 to 31 December 2024 and the two years ending 31 December 2026
“associate(s)”	has the meaning ascribed thereto under the Listing Rules

“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 72.30% 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
“CGN Wind Energy”	CGN Wind Power Company, Limited* (中廣核風電有限公司), 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), an exempted 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. Zhang Zhiwu, Mr. Li Guangming, Mr. Zhao Xianwen and Ms. Mu Wenjun
“PRC”	the People’s Republic of China, but for the purposes of this announcement and for geographical reference only and except when the context requires, references in this announcement to the PRC do not include Hong Kong of the PRC, the Macau Special Administrative Region of the PRC and Taiwan region of the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	registered holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“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 pretesting services, installation and replacement of equipment and spare parts services, and services relating to the implementation of intelligent systems

“Wind Farms and Photovoltaic Power Plants Operation and Maintenance Services Framework Agreement”

the framework agreement dated 20 November 2024 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

“%”

per cent

* *for identification purpose only*

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

Hong Kong, 20 November 2024

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

Executive Directors : *Mr. Zhang Zhiwu (Chairman) and Mr. Li Guangming (President)*

Non-executive Directors : *Mr. Zhao Xianwen and Ms. Mu Wenjun*

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