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**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)**

## **Discloseable Transaction Disposal of a Subsidiary**

### **DISPOSAL**

Reference is made to the announcement of the Company dated 7 February 2025 in relation to the proposed disposal by Meiya Electric of all the equity interests in Nantong Meiya (a wholly owned subsidiary of Meiya Electric) through a public tender process on the SUAEE.

The formal disclosure and the Public Tender Notice in relation to the potential disposal were published on the website of the SUAEE at [www.suaee.com](http://www.suaee.com) on 8 February 2025. The Purchaser was the successful bidder for purchasing the Sale Interests in the Public Tender.

The Board is pleased to announce that on 10 March 2025, Meiya Electric and the Purchaser entered into the Equity Transfer Agreement, pursuant to which Meiya Electric has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase the Sale Interests at a cash consideration of RMB475,000,000. Upon completion of the Disposal, Meiya Electric will cease to have any interest in Nantong Meiya and Nantong Meiya will cease to be a subsidiary of the Company.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Disposal exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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

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## **THE EQUITY TRANSFER AGREEMENT**

### **Agreement date**

10 March 2025

### **Parties**

- (a) Meiya Electric as the vender;
- (b) Nantong Nengda as the purchaser

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

### **Subject matter of the Disposal**

The Sale Interests represents 100% of the equity interest of Nantong Meiya.

### **Consideration**

The consideration for the Disposal is RMB475,000,000, which was arrived at as a result of the successful bidding by the Purchaser through the listing-for-sale process. The initial Public Tender price is approximately RMB475,000,000, which was determined with reference to the Appraised Value as at 30 November 2024.

## **Payment terms**

The consideration for the Disposal shall be payable in cash by the Purchaser in the following manner:

- (a) the Purchaser has paid the transaction deposit of RMB142,500,000 to the bank account designated by SUAEE. Upon execution of the Equity Transfer Agreement, the transaction deposit will be converted into part of the consideration;
- (b) the Purchaser shall pay the remaining part of the consideration (i.e., the total amount less the transaction deposit) in one lump sum to the bank account designated by SUAEE within five business days following the execution of the Equity Transfer Agreement; and
- (c) SUAEE shall transfer the entire consideration (net of tax) in one lump sum to the bank account designated by Meiya Electric after the issuance of the transaction certificate.

## **Completion**

The parties shall cooperate to complete the formalities to process changes in industrial and commercial registration in respect of the Disposal as soon as possible after obtaining the transaction certificate issued by SUAEE. The Purchaser undertakes that “CGN” shall not appear in the company name, the business activities or other publicity purposes of Nantong Meiya after completion of the Disposal.

## **Effective Date**

The Equity Transfer Agreement shall become effective upon the Equity Transfer Agreement being signed and sealed by Meiya Electric and the Purchaser, except for the circumstances when obtaining the approvals from the relevant authorities in accordance with the laws and administrative regulations are required.

## **INFORMATION ABOUT NANTONG MEIYA**

Nantong Meiya was established in March 1997, with a registered capital of US\$16,800,000. As of the date of this announcement, it is wholly owned by Meiya Electric.

As at 30 November 2024, being the reference date for arriving at the Appraised Value, the value of Nantong Meiya was approximately RMB475,000,000.

The audited net profits (before and after taxation) of Nantong Meiya prepared under the China Accounting Standards for Business Enterprises for the two financial years ended 31 December 2023 and 31 December 2022 are set out as follows:

	<b>Year ended 31 December 2023 (Audited) RMB'000</b>	<b>Year ended 31 December 2022 (Audited) RMB'000</b>
Net profit before taxation	73,919	27,002
Net profit after taxation	56,006	22,374

## **FINANCIAL EFFECTS OF THE DISPOSAL**

Based on the unaudited net asset value of Nantong Meiya as at 28 February 2025, it is estimated that the Group will record a gain of approximately US\$23,900,000 from the Disposal. The actual gain to be recorded by the Group is subject to final audit to be performed by the auditor of the Company.

Upon completion of the Disposal, Meiya Electric will cease to have any interest in Nantong Meiya and Nantong Meiya will cease to be a subsidiary of the Company. The financial results of Nantong Meiya will no longer be consolidated in the consolidated financial statements of the Group.

The Group intends to use the proceeds from the Disposal towards future possible appropriate investments and/or as general working capital.

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

Continuously developing clean and renewable energy has long been the Group's priority. In furtherance of such objective, in view of a decline in its business performance as a result of regional government's environmental protection initiatives and changes in cogeneration planning, the Board intends to dispose of Nantong Meiya. The Disposal is also conducive to achieving resource optimization and streamlining the Group's structure so as to further develop the Group's core business.

The Directors consider that the Disposal is conducted on normal commercial terms and the terms of the Disposal are fair and reasonable, and in the interests of the Company and 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.

### **Meiya Electric**

Meiya Electric, a limited liability company incorporated in Mauritius, is a wholly owned subsidiary of the Company as at the date of this announcement. Meiya Electric is an investment holding company and it holds the entire equity interest in Nantong Meiya.

### **Nantong Meiya**

Nantong Meiya, a limited liability company established in the PRC as a foreign investment enterprise, is an indirect wholly owned subsidiary of the Company. It is owned as to 100% by Meiya Electric as at the date of this announcement. Nantong Meiya is principally engaged in generation and supply of electricity, steam and other related products.

### **The Purchaser**

Nantong Nengda, a limited liability company established in the PRC. As at the date of this announcement, it is a subsidiary of Nantong Economic Development Zone Holdings Group Co., Ltd.\* (南通經濟開發區控股集團有限公司) (“**NEDZ Holdings**”). It is principally engaged in investment management, infrastructure investment, municipal engineering construction and primary land development and reclamation in the PRC.

### **NEDZ Holdings**

NEDZ Holdings, a limited liability company established in the PRC, is owned as to 100% by Nantong Economic and Technological Development Area Administration Committee\* (南通市經濟技術開發區管理委員會) (an agency of the Nantong Municipal People’s Government). It is principally engaged in businesses including primary land development, housing expropriation and urban infrastructure construction in the PRC.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as of the date of this announcement, the Purchaser, NEDZ Holdings and its ultimate beneficial owner are third parties independent of the Company and the connected persons of the Company.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Disposal exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITION**

“Appraised Value”	the value of the Sale Interests of RMB475,000,000 as at 30 November 2024 as appraised by an independent valuer
“Board”	the board of Directors
“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)
“Directors”	directors of the Company
“Disposal”	the disposal of all the equity interests held by Meiya Electric in Nantong Meiya, representing 100% equity interests in Nantong Meiya
“Equity Transfer Agreement”	the equity transfer agreement in respect of the Disposal entered into between the Meiya Electric and the Purchaser on 10 March 2025
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)

“Meiya Electric”	Meiya Electric Asia, Ltd., a limited liability company incorporated in Mauritius and a wholly owned subsidiary of the Company
“Nantong Meiya”	Nantong Meiya Co-generation Co., Ltd. (南通美亞熱電有限公司), a limited liability company established in the PRC as a foreign investment enterprise and an indirect wholly owned subsidiary of the Company
“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
“Public Tender”	the public tender process for the Disposal on the SUAEE
“Public Tender Notice”	the notice of the Public Tender in relation to the potential disposal published by the Company on the SUAEE on 8 February 2025
“Nantong Nengda” or “Purchaser”	Nantong Nengda Construction Investment Co., Ltd. (南通能達建設投資有限公司), a company with limited liability established under the laws of the PRC
“Sale Interests”	the entire equity interests in Nantong Meiya
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SUAEE”	Shanghai United Assets and Equity Exchange Co., Ltd.
“%”	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, 10 March 2025

*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*