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**CGN Power Co., Ltd.\***

**中國廣核電力股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1816)**

## **OVERSEAS REGULATORY ANNOUNCEMENT**

CGN Power Co., Ltd.\* (the “**Company**”) made this announcement pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The following sets forth the Announcement on Re-Appointment of Auditing Agency for the 2024 Financial Report of CGN Power Co., Ltd.\* (《中國廣核電力股份有限公司關於續聘2024年度財務報告審計機構的公告》) published by the Company on the website of Shenzhen Stock Exchange and for reference only.

By Order of the Board  
**CGN Power Co., Ltd.\***

**Yin Engang**

*Chief Financial Officer, Joint Company Secretary and Board Secretary*

The PRC, March 27, 2024

*As at the date of this announcement, the Board of the Company comprises Mr. Gao Ligang as an executive Director; Mr. Yang Changli, Ms. Li Li, Mr. Pang Songtao, Mr. Feng Jian and Mr. Liu Huanbing as non-executive Directors; Mr. Wong Ming Fung, Mr. Li Fuyou and Ms. Xu Hua as independent non-executive Directors.*

\* *For identification purpose only*

Stock Code: 003816

Stock Abbreviation:  
CGN Power

Announcement No.: 2024-013

**CGN Power Co., Ltd.\***  
**中國廣核電力股份有限公司**

**Announcement on Re-Appointment of Auditing Agency for the 2024  
Financial Report**

The Company and all members of the Board of Directors guarantee that the information disclosed is true, accurate and complete without false statements, misleading representations or material omissions.

**Special Notes:**

CGN Power Co., Ltd.\* (the “Company”) reviewed and approved the “Resolution on the Consideration of the Appointment of Auditing Agency for the 2024 Financial Report of CGN Power Co., Ltd.\*” at the fifth meeting of the fourth session of the Board of Directors held on March 27, 2024, and agreed to re-appoint KPMG Huazhen LLP (Special General Partnership) (“KPMG”) as the auditing agency for the 2024 financial report of the Company. This matter complies with the provisions of the Administrative Measures for the Appointment of Accounting Firms by State-owned Enterprises and Listed Companies (Cai Kuai [2023] No.4) issued by the Ministry of Finance, the State-owned Assets Supervision and Administration Commission of the State Council, and the China Securities Regulatory Commission, and needs to be submitted to the Company’s general meeting for consideration. The relevant information is hereby announced as follows:

**I. Basic information on the financial report auditing agency proposed to be appointed**

(I) Institution information

1. Basic information

Name	KPMG Huazhen LLP (Special General Partnership)		
Date of establishment	July 10, 2012	Form of organization	Special general partnership
Registered address	8/F, Tower E2, Oriental Plaza, No. 1 East Chang’an Avenue, Dongcheng District, Beijing		
Chief partner	Zou Jun (鄒俊)	Number of partners as of the end of last year	234
Number of practitioners as of the end of last year	Certified public accountants		1,121
	Certified public accountants who have signed audit reports for security service business		Over 260
Revenue from business operations in 2022 (audited)	Total revenue from business operations	Over RMB4,100 million	
	Revenue from audit business	Over RMB3,900 million	
	Revenue from security business	Over RMB1,900 million	

Auditing of listed companies (including A and B shares) in 2022	Number of clients	80
	Audit fee	RMB490 million
	Major sectors	Manufacturing, financial industry, information transmission, software and information technology service industry, electricity, heat, gas and water production and supply industry, transportation and logistics, warehousing and postal industry, mining industry, real estate industry, scientific research and technical service industry, wholesale and retail industry, leasing and business service industry, water conservancy, environment and public facilities management industry, and culture, sports and entertainment industry.
	Number of audit clients of listed companies in the same sector	3

## 2. Investor protection ability

KPMG has sound investor protection ability. According to the relevant laws and regulations, the head office is responsible for the provision of occupational risk funds, purchase of occupational insurance and payment of premiums every year for the head office in Beijing and all branches. The sum of accumulated indemnity limit of occupational insurance purchased by KPMG and occupational risk funds exceeded RMB200 million, which meets the requirements of relevant laws and regulations.

In the past three years, KPMG has assumed civil liability in civil litigation related to its practice: a bond-related civil litigation case was concluded in 2023, and the final judgment was that KPMG shall bear the liability for compensation (approximately RMB 2.7 million) at a rate of 2%-3%, and the case payment has been completed.

## 3. Credit records

KPMG and its employees were not subject to any criminal punishment, administrative punishment, or self-regulatory measures or disciplinary sanctions from self-regulatory organizations such as stock exchanges and industry associations due to its practice in the past three years. There was an administrative supervision measure that issued a warning letter by the securities regulatory authority, involving four employees. According to relevant laws and regulations, the aforementioned administrative supervision measure does not form part as an administrative punishment, and will not affect KPMG's continued undertaking or execution of securities services and other businesses.

## (II) Project information

### 1. Basic information

Project team member	Name	Time of becoming as a certified public accountant	Time of beginning listed company auditing	Time of beginning practice at KPMG	Time of beginning to provide audit service for the Company	Signing or reviewing of audit reports of listed companies in recent three years
Project partner	Chen Zimin (陳子民)	2007	2008	2018	After the general meeting of the Company considered and approved the relevant proposal	Signed or reviewed 7 audit reports of listed companies in recent three years
Signing certified public accountant	Chen Zimin (陳子民)	2007	2008	2018	After the general meeting of the Company considered and approved the relevant proposal	Signed or reviewed 7 audit reports of listed companies in recent three years
	Wang Jie (王潔)	2007	2001	2001	After the general meeting of the Company considered and approved the relevant proposal	Signed or reviewed 9 audit reports of listed companies in recent three years
Quality control reviewer	Chen Yuhong (陳玉紅)	1994	1994	1992	After the general meeting of the Company considered and approved the relevant proposal	Signed or reviewed 8 audit reports of listed companies in recent three years

### 2. Credit records

Project partner, signing certified public accountant and quality control reviewer were not subject to any criminal punishment, administrative punishment and administrative supervision measures or self-disciplinary supervision measures or disciplinary sanctions by self-disciplinary organizations such as stock exchanges, industry associations, etc. due to their practice in recent three years.

### 3. Independence

KPMG, project partner, signing certified public accountant and quality control reviewer maintained independence in accordance with the provisions of the professional ethics code.

### 4. Audit fee

The fee for auditing the annual financial report and reviewing interim report for the year 2023 was RMB8.545 million. The fee for auditing the annual financial report and reviewing the interim report of the Company for the year 2024 will be determined on the basis of RMB8.545 million. The chief financial officer of the Company is authorized to approve the additional audit fee arising from a change of business scope.

## **II. The procedure for proposed appointment of the financial report auditing agency**

### 1. Approval opinion by the audit and risk management committee under the Board of Directors

The audit and risk management committee under the Board of Directors has carefully reviewed KPMG's professional competence, investor protection ability, independence, credit status and other information, and believes that during its tenure as the Company's auditing agency, it has performed its duties with due diligence and followed independent, objective and fair professional standards. The duties of auditing agency have been effectively fulfilled and the requirements for auditing the Company's financial report were met. In order to maintain continuity when auditing the Company's financial report, it was agreed to continue to appoint KPMG as the Company's auditing agency for the 2024 financial report, and agreed to submit the proposal to the Board of Directors of the Company for consideration.

## 2. Consideration by the Board of Directors

On March 27, 2024, the “Resolution on the Consideration of the Appointment of Auditing Agency for the 2024 Financial Report of CGN Power Co., Ltd.\*” has been considered and approved at the fifth meeting of the fourth session of the Board of Directors of the Company.

## 3. Date of effectiveness

The matter in relation to the appointment of KPMG as the Company’s auditing agency for the 2024 financial report shall be submitted to the Company’s general meeting for consideration and shall come into effect upon approval by the Company’s general meeting.

### **III. Documents Available for Inspection**

1. Resolution of the fifth meeting of the fourth session of the Board of Directors of the Company;

2. Resolutions of the third meeting of the Audit and Risk Management Committee of the fourth session of the Board of Directors of the Company;

3. KPMG’s description on its basic information.

Notice is hereby given.

The Board of Directors of CGN Power Co., Ltd.\*  
March 27, 2024