
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CGN Power Co., Ltd.*, you should at once hand this circular together with the enclosed form of proxy and reply slip to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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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)

- (1) Report of the Board of Directors for the Year 2025**
- (2) Annual Report for the Year 2025**
- (3) Audited Financial Report for the Year 2025**
- (4) Profit Distribution Plan for the Year 2025**
- (5) Performance Evaluation Results of Independent Non-executive Directors for the Year 2025**
- (6) Investment Plan and Capital Expenditure Budget for the Year 2026**
- (7) Management Rules on Remuneration for Directors and Senior Management of CGN Power Co., Ltd.**
- (8) Re-appointment of Financial Report Auditor for the Year 2026**
- (9) Re-appointment of Internal Control Auditor for the Year 2026**
- (10) Continuing Connected Transactions – 2027-2029 Nuclear Fuel Supply and Services Framework Agreement**
- (11) Major Transactions and Continuing Connected Transactions – 2027-2029 Financial Services Framework Agreement**
- (12) General Mandate to Issue Shares**
- (13) General Mandate to Repurchase Shares
and**
- (14) Notices of the 2025 Annual General Meeting and
the 2026 First H Shareholders' Class Meeting**

**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**



A letter from the Board is set out on pages 7 to 48 of this circular.

The Company is scheduled to convene the AGM at 2:30 p.m. on Wednesday, May 20, 2026 at South Tower, CGN Building, No. 2002 Shennan Road, Shenzhen, Guangdong Province, the PRC, and the H Shareholders' Class Meeting after the conclusion or adjournment of the AGM (whichever is the later), and the A Shareholders' Class Meeting immediately after the conclusion or adjournment of the H Shareholders' Class Meeting (whichever is the later). The notices of the AGM and the H Shareholders' Class Meeting are set out on pages AGM-1 to HCM-3 of this circular.

Whether or not you are able to attend and vote at the AGM and/or the H Shareholders' Class Meeting, you are requested to complete and return (i) the accompanying reply slip in accordance with the instructions printed thereon on or before Wednesday, May 13, 2026 to the H Share Registrar; and (ii) the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible but in any event not less than 24 hours before the time appointed for convening the AGM and/or the H Shareholders' Class Meeting or any adjournment thereof (as the case may be) to the H Share Registrar. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM and/or the H Shareholders' Class Meeting or any adjournment should you so wish.

* For identification purpose only

April 20, 2026

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DEFINITIONS

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

“A Shareholder(s)”	holder(s) of A Shares
“A Shareholders’ Class Meeting”	the 2026 first A Shareholders’ class meeting of the Company to be held on Wednesday, May 20, 2026
“A Share(s)”	ordinary shares issued by the Company and denominated in RMB with a nominal value of RMB1.00 each, which are listed on the Shenzhen Stock Exchange
“AGM” or “2025 AGM”	the 2025 annual general meeting of the Company to be held at 2:30 p.m. on Wednesday, May 20, 2026 at South Tower, CGN Building, No. 2002 Shennan Road, Shenzhen, Guangdong Province, the PRC
“Articles of Association”	the articles of association of the Company, as amended from time to time
“associate(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“Audit and Risk Management Committee”	the audit and risk management committee of the Board
“big four commercial banks”	Industrial and Commercial Bank of China, China Construction Bank, Agricultural Bank of China and Bank of China
“Board”	the board of Directors of the Company
“CCASS”	the Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited

DEFINITIONS

“CGN”	China General Nuclear Power Corporation* (中國廣核集團有限公司), a state-owned enterprise established in the PRC on September 29, 1994 and the Controlling Shareholder and promoter of the Company, and thus a connected person of the Company, with 81% of its equity interest held by the SASAC, 10% by Guangdong Hengjian Investment Holdings Co., Ltd.* (廣東恒健投資控股有限公司) and 9% by National Council for Social Security Fund
“CGN Finance”	CGN Finance Co., Ltd.* (中廣核財務有限責任公司), a limited liability company established in the PRC on July 22, 1997. CGN Finance is held as to 66.66% by CGN, 30% by China Nuclear Power Engineering Co., Ltd.* (中廣核工程有限公司) (a wholly-owned subsidiary of the Company), and 3.34% by CGN Services Group Co., Ltd. (a wholly-owned subsidiary of CGN), and thus a connected person of the Company
“CGN Group”	collectively, CGN and its subsidiaries (unless specified otherwise, excluding the Group)
“CGN Uranium”	CGNPC Uranium Resources Co., Ltd.* (中廣核鈾業發展有限公司), a limited liability company established in the PRC on August 15, 2006. CGN Uranium is held as to 81.82% by CGN, and 18.18% by Shenzhen Nengzhihui Investment Co., Ltd.* (深圳市能之匯投資有限公司) (a wholly-owned subsidiary of CGN), and thus a connected person of the Company
“Chairman”	the chairman of the Board
“Company”	CGN Power Co., Ltd.* (中國廣核電力股份有限公司), a joint stock company with limited liability established in the PRC on March 25, 2014, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1816), and the A Shares of which are listed on the Shenzhen Stock Exchange (Stock Code: 003816)
“connected person(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules

DEFINITIONS

“Continuing Connected Transaction(s)”	individually or collectively, the partially exempt continuing connected transactions and the non-exempt continuing connected transactions
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules, as of the Latest Practicable Date, it refers to CGN
“CSRC”	China Securities Regulatory Commission
“Director(s)”	director(s) of the Company
“Financial Service Providers under CGN”	the related companies under CGN Group which provide financial services to us. These companies primarily include one of its subsidiaries which is a non-banking financial institution, i.e., CGN Finance, and other companies which provide financial services such as CGNPC Huasheng Investment Limited* (中廣核華盛投資有限公司)
“Group”, “our Group”, “we”, or “us”	our Company and its subsidiaries
“H Share(s)”	ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Main Board of the Hong Kong Stock Exchange and subscribed for and traded in Hong Kong dollars
“H Shareholder(s)”	holder(s) of H Shares
“H Shareholders’ Class Meeting”	the 2026 first H Shareholders’ class meeting of the Company to be held on Wednesday, May 20, 2026
“H Share Registrar”	Computershare Hong Kong Investor Services Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended and supplemented from time to time

DEFINITIONS

“Hong Kong Stock Connect”	investors entrusting mainland securities companies to report to the Hong Kong Stock Exchange through a securities trading service company established by the Shenzhen Stock Exchange and the Shanghai Stock Exchange in Hong Kong to buy and sell stocks listed on the Hong Kong Stock Exchange within the scope of Shenzhen-Hong Kong Stock Connect and Shanghai-Hong Kong Stock Connect
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	the independent board committee constituted by Mr. Wong Ming Fung, Mr. Li Fuyou and Ms. Xu Hua, for the purpose of providing advice to the Independent Shareholders in respect of the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps thereto) and the 2027-2029 Financial Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps thereto)
“Independent Financial Adviser”	Gram Capital Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, and the independent financial adviser responsible for providing advice to the Independent Board Committee and the Independent Shareholders in respect of the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the nuclear fuel supply and services thereunder (including the proposed annual caps thereto), the 2027-2029 Financial Services Framework Agreement and the deposit services and loan services thereunder (including the proposed annual caps thereto)
“Independent Shareholders”	Shareholders other than CGN Group and its associates
“Independent Third Party(ies)”	person(s) which is/are not connected with any Directors, Supervisors, chief executive or substantial shareholders of our Company or any of its subsidiaries and their respective associates

DEFINITIONS

“Issue Mandate”	Shareholders are advised to grant a general mandate to the Board at the AGM to issue shares at any time within the period specified by the relevant special resolution contained in the notice of AGM no more than 20% of the issued shares of the Company on the date on which the relevant special resolution of the Company was passed
“KPMG”	KPMG Huazhen LLP
“Latest Practicable Date”	April 13, 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“NFRA”	National Financial Regulatory Administration, or the former China Banking and Insurance Regulatory Commission
“PBOC”	the People’s Bank of China (中國人民銀行)
“PRC”	the People’s Republic of China excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan Province
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	subject to the proposed AGM, A Shareholders’ Class Meeting and H Shareholders’ Class Meeting to approve the repurchase mandate by way of proposed special resolutions, respectively, the general mandate to authorize the Board to exercise the power to repurchase H Shares and/or A Shares of the Company not exceeding 10% of the total issued share capital of H Shares and/or A Shares of the Company on the date on which the above special resolutions of the Company were passed
“RMB”	Renminbi, the lawful currency of the PRC
“SASAC”	State-owned Assets Supervision and Administration Commission of the State Council of the PRC (中華人民共和國國務院國有資產監督管理委員會)
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended and supplemented from time to time

DEFINITIONS

“Shanghai-Hong Kong Stock Connect”	an abbreviation for the Shanghai-Hong Kong Stock Market Trading Interconnection Mechanism
“Share(s)”	A Shares and H Shares
“Shareholder(s)”	shareholder(s) of the Company
“Shenzhen-Hong Kong Stock Connect”	an abbreviation for the Shenzhen-Hong Kong Stock Market Trading Interconnection Mechanism
“Shenzhen Stock Connect”	investors entrusting Hong Kong brokers to report to the Shenzhen Stock Exchange through a securities trading service company established by the Hong Kong Stock Exchange in Shenzhen to buy and sell stocks listed on the Shenzhen Stock Exchange within the scope of Shenzhen-Hong Kong Stock Connect
“subsidiary(ies)”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“2027-2029 Nuclear Fuel Supply and Services Framework Agreement”	the 2027-2029 nuclear fuel supply and services framework agreement entered into between the Company and CGN on March 25, 2026
“2027-2029 Financial Services Framework Agreement”	the 2027-2029 financial services framework agreement entered into between the Company and CGN on March 25, 2026
“%”	per cent

The English names of the PRC entities in this circular are translations from their Chinese names and are for identification purposes only. If there is any inconsistency, the Chinese name shall prevail. For any inconsistency between the English and Chinese versions of the appendices in this circular, the Chinese version shall prevail.

LETTER FROM THE BOARD



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)

Executive Director:

Mr. Pang Songtao

Non-executive Directors:

Mr. Yang Changli (*Chairman*)

Ms. Li Li

Mr. Feng Jian

Mr. Liu Huanbing

Independent non-executive Directors:

Mr. Wong Ming Fung

Mr. Li Fuyou

Ms. Xu Hua

Registered Office and

Headquarters in the PRC:

18/F, South Tower, CGN Building,
No. 2002 Shennan Road,
Shenzhen, Guangdong Province,
The PRC

**Principal Place of Business
in Hong Kong:**

31/F, Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

Dear Shareholders,

- (1) Report of the Board of Directors for the Year 2025
- (2) Annual Report for the Year 2025
- (3) Audited Financial Report for the Year 2025
- (4) Profit Distribution Plan for the Year 2025
- (5) Performance Evaluation Results of Independent Non-executive Directors for the Year 2025
- (6) Investment Plan and Capital Expenditure Budget for the Year 2026
- (7) Management Rules on Remuneration for Directors and Senior Management of CGN Power Co., Ltd.
- (8) Re-appointment of Financial Report Auditor for the Year 2026
- (9) Re-appointment of Internal Control Auditor for the Year 2026
- (10) Continuing Connected Transactions – 2027-2029 Nuclear Fuel Supply and Services Framework Agreement
- (11) Major Transactions and Continuing Connected Transactions – 2027-2029 Financial Services Framework Agreement
- (12) General Mandate to Issue Shares
- (13) General Mandate to Repurchase Shares
and
- (14) Notices of the 2025 Annual General Meeting and the 2026 First H Shareholders' Class Meeting

I. INTRODUCTION

The Company intends to hold the AGM, the H Shareholders' Class Meeting and the A Shareholders' Class Meeting at 2:30 p.m. on Wednesday, May 20, 2026 at South Tower, CGN Building, No. 2002 Shennan Road, Shenzhen, Guangdong Province, the PRC. The notices to convene the AGM and the H Shareholders' Class Meeting are set out on pages AGM-1 to HCM-3 of this circular, respectively.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with details of the AGM and the H Shareholders' Class Meeting and the resolutions to be proposed for Shareholders to consider and approve as ordinary resolutions or special resolutions, as the case may be, at the AGM and the H Shareholders' Class Meeting and provide all reasonably required information to enable you to make an informed decision when voting on those resolutions. Such resolutions and details are set out in sections III to IV of this letter from the Board.

II. MATTERS TO BE RESOLVED AT THE AGM

Ordinary Resolutions

Part I

1. To consider and approve the report of the Board of Directors for the year 2025
2. To consider and approve the annual report for the year 2025
3. To consider and approve the audited financial report for the year 2025
4. To consider and approve the profit distribution plan for the year 2025
5. To consider and approve the performance evaluation results of independent non-executive Directors for the year 2025
6. To consider and approve the investment plan and capital expenditure budget for the year 2026
7. To consider and approve the Management Rules on Remuneration for Directors and Senior Management of CGN Power Co., Ltd.
8. To consider and approve the re-appointment of financial report auditor for the year 2026
9. To consider and approve the re-appointment of internal control auditor for the year 2026

Part II

10. To consider and approve the continuing connected transactions – 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the proposed annual caps thereto
11. To consider and approve the major transactions and continuing connected transactions – 2027-2029 Financial Services Framework Agreement and the proposed annual caps thereto

Special Resolutions

12. To consider and approve the grant of the general mandate to issue Shares
13. To consider and approve the grant of the general mandate to repurchase Shares

LETTER FROM THE BOARD

III. ORDINARY RESOLUTIONS

Part I

1. To consider and approve the report of the Board of Directors for the year 2025

According to the Articles of Association, the Board of Directors has prepared the report of the Board of Directors for the year 2025, and its main contents include business performance, asset conditions, corporate governance, financial assistance and guarantee, share capital and interest of the Company.

The report was considered and approved by the Board of Directors at the nineteenth meeting of the fourth session of the Board of Directors. The full text of the report is included in the annual report for the year 2025 published on the Company's website and the HKEXnews website of the Hong Kong Stock Exchange by the Company on April 15, 2026.

According to the Articles of Association, an ordinary resolution will be proposed by the Board of Directors at the AGM to approve the report of the Board of Directors for the year 2025.

2. To consider and approve the annual report for the year 2025

According to the Articles of Association, the Company has prepared the annual report for the year 2025.

The report was considered and approved by the Board of Directors at the nineteenth meeting of the fourth session of the Board of Directors, and published on the Company's website and the HKEXnews website of the Hong Kong Stock Exchange on April 15, 2026.

According to the Articles of Association, an ordinary resolution will be proposed by the Board of Directors at the AGM to approve the annual report for the year 2025.

3. To consider and approve the audited financial report for the year 2025

The financial statements of the Company for the year ended December 31, 2025 prepared in accordance with the China Accounting Standards for Business Enterprises have been audited by KPMG and considered and approved by the Board of Directors at the nineteenth meeting of the fourth session of the Board of Directors. The full text of the report is included in the annual report for the year 2025 published on the Company's website and the HKEXnews website of the Hong Kong Stock Exchange by the Company on April 15, 2026.

According to the Articles of Association, an ordinary resolution will be proposed by the Board of Directors at the AGM to approve such audited financial statements for the year ended December 31, 2025 prepared in accordance with the China Accounting Standards for Business Enterprises.

LETTER FROM THE BOARD

4. To consider and approve the profit distribution plan for the year 2025

The Board recommends the payment of a final dividend of RMB0.086 (tax inclusive) per Share for the year 2025 to the Shareholders as of the record date for dividend distribution (the record date). The ratio of final dividend distribution for the year is based on the consideration of various factors including the business performance of the Company for the year 2025.

The profit distribution plan has been considered and approved at the nineteenth meeting of the fourth session of the Board of Directors.

If the proposed profit distribution plan is approved by the Shareholders at the AGM, the distributable dividend will be distributed in cash on or around July 10, 2026 to the Shareholders whose names appear on the register of members of the Company on June 1, 2026 (the record date). The cash dividend for 2025 is denominated and declared in RMB, with a dividend per Share of RMB0.086 (tax inclusive).

The dividends shall be paid by the Company to the holders of A Shares in RMB and the holders of H Shares in Hong Kong dollars but denominated in RMB. The exchange rate of RMB into Hong Kong dollar shall be calculated based on the arithmetic mean of the medians of the exchange rates of Hong Kong dollar into RMB published by PBOC five working days from and inclusive of the date on which the AGM is convened.

Closure of Register of Members for H Shareholders to Receive the Dividend:

The register of members of the Company in respect of the H Shares will be closed from May 27, 2026 to June 1, 2026 (both days inclusive). The record date will be June 1, 2026. In order to qualify for the dividend, H Shareholders shall lodge the transfer documents accompanied by the relevant share certificates with the H Share Registrar at Shops 1712-1716, Hopewell Centre, No. 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on May 26, 2026.

The Company will determine the country of domicile of the individual H Shareholders based on the registered address of the individual H Shareholders as recorded in the H share register of members of the Company on June 1, 2026. Where the residency of any individual H Shareholders is inconsistent with the registered address, they shall notify, and submit the relevant proof to, the H Share Registrar at 17M Floor, Hopewell Centre, No. 183 Queen's Road East, Wan Chai, Hong Kong, before 4:30 p.m. on May 26, 2026. The Company disclaims any responsibility arising from any claims due to H Shareholders whose residency are not confirmed timely or accurately or any disputes with regard to the tax withholding systems.

Arrangement on Withholding Tax:

(1) Withholding and Payment of Corporate Income Tax for Overseas Non-resident Enterprise Shareholders

According to the Corporate Income Tax Law of the People's Republic of China and the relevant implementation rules which came into effect on January 1, 2008, the Company is required to withhold corporate income tax at the rate of 10% before distributing dividends to

LETTER FROM THE BOARD

non-resident enterprise shareholders whose names appear on the register of members of the H shares of the Company. Any H Shares registered in the name of non-individual H Shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations will be treated as being held by non-resident enterprise shareholders and therefore the dividends will be subject to the withholding and payment of the corporate income tax. Should any H Shareholder wish to change its shareholder status, please consult your agent or trust institution over the relevant procedures. The Company will withhold payment of the corporate income tax strictly in accordance with the relevant laws or requirements of the relevant government authorities and strictly based on what has been registered on the Company's register of H Shareholders on the record date.

(2) Withholding and Payment of Individual Income Tax for Overseas Individual Shareholders

According to Guo Shui Han [2011] No. 348 (國稅函[2011]348號) issued by the State Administration of Taxation of the People's Republic of China, for individual H Shareholders, the Company shall withhold and pay individual income tax for the dividend.

Individual H Shareholders may be entitled to certain tax preferential treatments pursuant to the tax treaties between the PRC and the countries in which they are domiciled and the tax arrangements between mainland China and Hong Kong (Macau).

The Company will determine the country of domicile of the individual H Shareholders based on the registered address of the individual H Shareholders as recorded in the H share register of members of the Company on June 1, 2026.

The Company shall withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders (who are Hong Kong residents, Macau residents or residents of those countries having treaties with the PRC stipulating a tax rate of 10% for individual income tax in respect of dividends). For tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a tax rate of lower than 10% for individual income tax in respect of dividends, the Company would withhold the individual income tax at a tax rate of 10%. Such individuals may apply to the competent tax authorities, and the Company will assist in such application, for the entitlement to the preferential tax rate under the relevant tax treaty, and upon approval by the tax authorities, the difference between the amount of tax paid and the amount of tax payable by such individuals under such tax treaty will be refunded. For tax residents of other countries having tax treaties with the PRC stipulating a tax rate of higher than 10% but lower than 20% for individual income tax in respect of dividends, the Company would withhold the individual income tax at the agreed effective tax rate. For tax residents of other countries without any tax treaty with the PRC or having tax treaties with the PRC stipulating a tax rate of 20% for individual income tax in respect of dividends or in other situations, the Company would withhold the individual income tax at a tax rate of 20%.

LETTER FROM THE BOARD

Where the tax rate at which the Company withholds and pays individual income tax for individual H Shareholders is higher than the tax rate which such individual H Shareholders are entitled to, such individual H Shareholders may apply to the competent tax authorities for the entitlement to the preferential tax rate under the relevant tax treaty, and upon approval by the tax authorities, the difference between the amount of tax paid and the amount of tax payable by such individuals under such tax treaty will be refunded. The Company will play a facilitating and coordinating role, and where the relevant information is provided by such individual H Shareholders to the Company, the Company will assist such individual H Shareholders in their application to the competent tax authorities.

Where the residency of any individual H Shareholders is inconsistent with the registered address, they shall notify, and submit the relevant proof to, the H Share Registrar at 17M Floor, Hopewell Centre, No. 183 Queen's Road East, Wan Chai, Hong Kong, before 4:30 p.m. on May 26, 2026. The Company disclaims any responsibility arising from any claims due to H Shareholders whose residency are not confirmed timely or accurately or any disputes with regard to the tax withholding systems.

(3) Profit Distribution for Investors of Shenzhen Stock Connect

For investors of the Hong Kong Stock Exchange (including enterprises and individuals) investing in Shenzhen Stock Connect, their dividends will be distributed in RMB by the Company through China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to competent tax authorities for the withholding.

For investors of Shenzhen Stock Connect who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may apply to the competent tax authorities for the entitlement of the rate under such tax treaty by themselves. Upon approval by the competent tax authorities, the paid amount in excess of the tax payable based on the tax rate under such tax treaty will be refunded.

The record date and the date of distribution of cash dividends and other arrangements for the investors of Shenzhen Stock Connect will be the same as those for the A Shareholders.

(4) Profit Distribution for Investors of Hong Kong Stock Connect

For investors of the Shanghai Stock Exchange or the Shenzhen Stock Exchange (including enterprises and individuals) investing in Hong Kong Stock Connect, the Company has entered into the Agreement on Distribution of Cash Dividends of H Shares for Hong Kong Stock Connect with China Securities Depository and Clearing Corporation Limited, pursuant to which, China Securities Depository and Clearing Corporation Limited, as the nominee of the H Shareholders for Hong Kong Stock Connect, will receive all dividends distributed by the

LETTER FROM THE BOARD

Company and distribute the dividends to the relevant investors of H Shares of Hong Kong Stock Connect through its depository and clearing system. Dividends for the investors of H Shares of Hong Kong Stock Connect will be paid in RMB.

Pursuant to the relevant requirements of the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》) and the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅)[2016]127號》), for dividends received by Shanghai-Hong Kong Stock Connect investors and Shenzhen-Hong Kong Stock Connect investors from investing in H shares listed on the Hong Kong Stock Exchange, the H-share company shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. For dividends derived by mainland resident enterprises, there will be no withholding tax payable by the H-share company, and these enterprises are liable for tax reporting and payment.

The record date and the date of appropriation of cash dividends and other arrangements for the investors of Hong Kong Stock Connect will be the same as those for the H Shareholders.

According to the Articles of Association, an ordinary resolution will be proposed by the Board of Directors at the AGM to approve the profit distribution plan of the Company.

5. To consider and approve the performance evaluation results of independent non-executive Directors for the year 2025

Pursuant to the Measures on Performance Evaluation of Independent Directors (Trial) of CGN Power Co., Ltd.*, the performance evaluation of the independent Directors is carried out with the procedures and in the order of self-evaluation, mutual evaluation between Directors, weighted evaluation scores and evaluation result generation. The evaluation consists of two aspects, namely conduct of ethics, and performance and contribution. The performance evaluation results of independent non-executive Directors for the year 2025 are as follows:

Name	Suggested performance evaluation results
Wong Ming Fung	Excellent
Li Fuyou	Excellent
Xu Hua	Excellent

The above evaluation results were considered and approved by the Remuneration Committee and passed at the nineteenth meeting of the fourth session of the Board of Directors. When the Remuneration Committee and the Board took a vote on the above evaluation results, the independent non-executive Directors abstained from voting.

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Pursuant to the Articles of Association, an ordinary resolution will be proposed by the Board of Directors at the AGM to approve the performance evaluation results of independent non-executive Directors for the year 2025.

6. To consider and approve the investment plan and capital expenditure budget for the year 2026

According to the Articles of Association, the Company has formulated its investment plan and capital expenditure budget for the year 2026.

In accordance with its strategies and needs for business development and in order to ensure the stable operation of nuclear power stations in operation, the project construction of nuclear power generating units under construction, and the preparation before approval of nuclear power projects, the Company plans to invest a total amount of RMB86,430 million in the year 2026. In particular, the investment in fixed assets of RMB71,050 million will be primarily applied to the investment in construction for nuclear power projects under construction and the capital expenditure for the production stage of nuclear power stations in operation, and the equity investment of RMB10,380 million will be applied to potential or contingent project acquisitions. Moreover, the reserve of RMB5,000 million will be made to respond to the market changes and handle contingencies.

For more information relating to nuclear power stations in operation and nuclear power generating units under construction, please refer to the sections headed “Business Performance and Analysis”, “Future Outlook” and “Production Capital” in the annual report for the year 2025 published by the Company on April 15, 2026, and the published electronic document of the annual report is also available on the Company’s website or the HKEXnews website of the Hong Kong Stock Exchange.

This investment plan and capital expenditure budget were considered and approved by the Board of Directors at the eighteenth meeting of the fourth session of the Board of Directors. According to the Articles of Association, an ordinary resolution will be proposed by the Board of Directors at the AGM to approve this investment plan and capital expenditure budget for the year 2026.

7. To consider and approve the Management Rules on Remuneration for Directors and Senior Management of CGN Power Co., Ltd.

In order to further improve the remuneration management system for the Directors and senior management of the Company, the Company has formulated the Management Rules on Remuneration for Directors and Senior Management of CGN Power Co., Ltd. in accordance with the Notice on Implementing the Corporate Governance Standards for Listed Companies and Other Relevant Requirements (《關於落實<上市公司治理準則>等相關要求的通知》) (the “Notice”) of the Shenzhen Stock Exchange. These rules stipulated the principles to be adhered to in the remuneration management for Directors and senior management, the division of responsibilities among various management levels, the rules to be followed in remuneration standards, the requirements for remuneration payment and recourse, the principles for remuneration adjustments, and the effective date, etc.

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These rules were considered and approved by the Board of Directors at the nineteenth meeting of the fourth session of the Board of Directors, and the full text of which is included in Appendix IV to this circular.

According to the Articles of Association and the Procedural Rules of General Meeting of CGN Power Co., Ltd.*, an ordinary resolution will be proposed by the Board of Directors at the AGM to approve the Management Rules on Remuneration for Directors and Senior Management of CGN Power Co., Ltd..

8. To consider and approve the re-appointment of financial report auditor for the year 2026

The proposal that KPMG as the financial report auditor of the Company for the year 2025 and would hold office until the conclusion of the 2025 AGM was considered and approved at the twelfth meeting of the fourth session of the Board of Directors and approved at the 2024 annual general meeting of the Company.

According to the Articles of Association and the proposal made by the Audit and Risk Management Committee, the Company intends to re-appoint KPMG as its financial report auditor for the year 2026, who will hold office until the conclusion of the 2026 annual general meeting, and authorize the Board to determine its remuneration based on the actual works performed.

The above proposal regarding the re-appointment of financial report auditor for the year 2026 was considered and approved at the nineteenth meeting of the fourth session of the Board of Directors.

Pursuant to the Articles of Association, an ordinary resolution will be proposed by the Board of Directors at the AGM to approve the re-appointment of KPMG as the financial report auditor of the Company for the year 2026.

9. To consider and approve the re-appointment of internal control auditor for the year 2026

The proposal that Pan-China Certified Public Accountants LLP as the internal control auditor of the Company for the year 2025 and would hold office until the conclusion of the 2025 AGM was considered and approved at the twelfth meeting of the fourth session of the Board of Directors and approved at the 2024 annual general meeting of the Company.

According to the Articles of Association and the proposal made by the Audit and Risk Management Committee, the Company intends to re-appoint Pan-China Certified Public Accountants LLP as its internal control auditor for the year 2026, who will hold office until the conclusion of the 2026 annual general meeting, and authorize the Board to determine its remuneration based on the actual works performed.

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The above proposal regarding the re-appointment of internal control auditor for the year 2026 was considered and approved at the nineteenth meeting of the fourth session of the Board of Directors.

Pursuant to the Articles of Association, an ordinary resolution will be proposed by the Board of Directors at the AGM to approve the re-appointment of Pan-China Certified Public Accountants LLP as the internal control auditor of the Company for the year 2026.

Part II

10. To consider and approve the continuing connected transactions – 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the proposed annual caps thereto

Background

The Company entered into the Nuclear Fuel Supply and Services Framework Agreement with CGN on November 21, 2014. After multiple amendments and renewals, the 2024-2026 Nuclear Fuel Supply and Services Framework Agreement currently in effect has a term until December 31, 2026. As a continuation of the above agreement, the Company has entered into the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement with CGN on March 25, 2026, pursuant to which, CGN Group will provide the following to the Group: (i) natural uranium supply and services (agent purchasing and direct supply); (ii) nuclear fuel general contracting services; (iii) spent fuel storage and transportation services; and (iv) other nuclear fuel supply and services.

The 2027-2029 Nuclear Fuel Supply and Services Framework Agreement will be valid and effective from January 1, 2027 to December 31, 2029. Separate contracts will be entered into between relevant entities of both parties, which will formulate the specific terms and conditions in accordance with the principles provided in the above agreements, and the related service fees will be settled with self-owned funds.

The annual transaction amount cap for 2026 under the 2024-2026 Nuclear Fuel Supply and Services Framework Agreement was approved by the Company at the 2022 AGM. Given that the scope of services and pricing principles remain unchanged, the annual transaction amount cap for 2026 approved in 2023 is subject to upward adjustment and re-approval primarily in light of the construction progress, with the first furnace of fuel for Lufeng Unit 5 anticipated to arrive in 2026, and the increase in market prices of natural uranium and assembly processing.

Reference is made to the announcement of the Company dated March 25, 2026 in relation to the major transactions and the continuing connected transactions, which announced that the Board had considered and approved the resolution on entering into the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the proposed annual caps thereto with CGN on March 25, 2026, which is submitted at the 2025 AGM for the Independent Shareholders' consideration and approval. CGN will abstain from voting on the ordinary resolution in relation to the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the proposed annual caps thereto at the 2025 AGM.

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Reasons and Benefits for the Transactions

- (1) The continuous supply of nuclear fuel is essential to the operation of nuclear power plants. Nuclear fuel is subject to regulation on a global scale, and the nuclear fuel industry is strictly regulated across all countries in the world. China is one of the signatories to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), thus it is supervised by the International Atomic Energy Agency (IAEA), and must meet the relevant requirements of the NPT. The PRC government places strict controls on the nuclear fuel industry. According to the PRC government's regulation policy on the nuclear fuel industry, only enterprises that have obtained a state license can engage in the procurement of overseas uranium products, while all other enterprises are not allowed to directly purchase natural uranium and nuclear fuel assemblies from overseas suppliers. At present, CGN Uranium, China Nuclear Energy Industry Co., Ltd. and State Nuclear Power Uranium Resources Development Co., Ltd. are the only domestic entities that have the exclusive qualifications for the import and export of uranium products. Only these three companies in China are able to carry out business related to the import and export of uranium products. The procurement of the abovementioned services by the Company from CGN Uranium is in line with the industry practice in China.
- (2) The business cooperation between CGN Group and the Group in respect of the nuclear fuel supply and services commenced in 2006. As both parties have maintained a long-term and stable business relationship, CGN Group is familiar with the operation of the Group. The continual procurement of services from CGN Group can ensure the stable supply of nuclear fuel supply and services. The nuclear power plants under the Group entered into and implemented long-term nuclear fuel procurement and supply services agreements with CGN Uranium, and the nuclear power projects of the Group can obtain long-term and stable nuclear fuel supply at reasonable prices.

Pricing Policy and its Application

The following guiding principles of pricing shall apply to the related services contemplated under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement in the following order:

- (1) Government-prescribed price and government-guided price: if at any time, the government-prescribed price is applicable to any particular type of products or services, such product or service shall be supplied at the applicable government-prescribed price. Where a government-guided fee standard is available, the price will be agreed by reference to the government-guided price.

Currently, neither a government-prescribed price nor a government-guided price is applicable to the services under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement, but the Company will continue to closely track the update of the relevant government-prescribed price and government-guided price, and adopt any of the applicable government-prescribed price and government-guided price, if any, in future.

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- (2) Market price: the price of the same or similar products, technology or services provided by an Independent Third Party during the ordinary course of business on normal commercial terms; and

Such pricing principle is mainly applicable to spent fuel storage and transportation services and services of purchasing test samples of nuclear fuel assemblies required for research & development. Such services do not fall within the scope of mandatory procurement through public bidding in accordance with the Regulation on the Implementation of the Bidding Law of the PRC (《中華人民共和國招標投標法實施條例》). According to the Company's procurement procedures, the Company invites a number of specified bidders to participate in project bidding. The number of bidders invited is usually no less than two. However, in circumstances where there are specific service requirements or qualification criteria, and only one entity from the pool of qualified suppliers of the Company is able to meet the Company's operational and qualification requirements, the Company may invite less than two bidders. In such cases, the pricing of the services shall be no less favourable than historical benchmarks for similar procurement projects to ensure fair and reasonable pricing.

- (3) Agreed price: the price to be determined by adding a reasonable profit over a reasonable cost. In determining the profit margin, the Company makes reference to the *Enterprise Performance Evaluation Standard Values* published by the SASAC from time to time, and ensures that the relevant profit margins are not less favourable than the "Good" benchmark for cost-plus profit margins or operating margins of comparable large-scale state-owned enterprises. The Board is of the view that the aforementioned method for determining the profit margin is fair and reasonable.

Such pricing principle is mainly applicable to natural uranium supply, conversion, enrichment and assembly processing services. The general principle of CGN Uranium in charging fees is based on ensuring the long-term stable supply of nuclear fuel assemblies required by the Group. The relevant prices mainly take into account the cost of supply, and are related to international and domestic market conditions to a certain extent. These costs mainly include the production cost of nuclear fuel or the cost of purchasing natural uranium, conversion, enrichment and assembly processing services in the market. This pricing principle is also applicable to the same services provided by CGN Uranium to the Company's associate, which is consistent with the pricing principles for the same services purchased by that associate from Independent Third Parties.

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In addition to the above guiding principles of pricing, as the Company directly purchases nuclear fuel assemblies from CGN, after arm's length negotiations between the Company and CGN, the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement stipulates that:

- (1) The pricing of various nuclear fuel related services included in the nuclear fuel assembly is as follows:
 - (i) Natural uranium: a pricing mechanism that combines a fixed price and a price linked to market indexes. The fixed price is mainly composed of a basic price and a floating price. Among them, the basic price is mainly determined according to the production cost or procurement cost of CGN Uranium, while the floating price is mainly determined by adding a certain mark-up amount over the basic price according to the expected inflation rate every year, typically ranging from 2.2% to 3.5% per annum, mainly reflecting expected inflation in U.S. dollar-denominated natural uranium prices, which is widely adopted in international nuclear fuel market pricing and price forecasting. The price linked to market indexes is mainly determined based on the natural uranium price indexes regularly published by two international nuclear power industry consulting companies, namely UxC, LLC ("UxC") and/or TradeTech.

In determining the expected inflation rate, the Company has made reference to market forecasts issued by UxC, whose price forecasting model applies an annual increase rate of approximately 2.5% to 3.5% for natural uranium prices. The lower end of the range reflects a prudent assessment of prevailing USD inflation expectations and market conditions, while the upper end aligns with the increase rates projected under UxC's forecasting model. The expected inflation rate adopted for the provision of nuclear fuel assemblies by CGN Group to the Group is therefore not higher than, and hence not less favourable than, the increase rates projected by independent market forecasts.

The adoption of a pricing mechanism that combines the fixed price and the price linked to market indexes is a common industry practice for determining natural uranium prices, which can not only ensure the stable supply of natural uranium, but can also give an additional advantage to cost adjustment by virtue of market flexibility. By way of illustration, China National Uranium Co., Ltd. (a company listed on the Shenzhen Stock Exchange with stock code 001280.SZ), an industry peer of the Group and a subsidiary of China National Nuclear Corporation, disclosed in its prospectus that it has entered into long-term natural uranium supply agreements with major customers, including China National Nuclear Power Co., Ltd. (a company listed on the Shanghai Stock Exchange with stock code 601985.SH). Under such agreements, a pricing mechanism combining a fixed price with natural uranium (primarily U₃O₈) prices regularly published by recognised international industry consulting companies, namely UxC and TradeTech, has been primarily adopted.

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The pricing mechanism for natural uranium is closely connected to its supply characteristics and market conditions. Natural uranium is an internationally traded commodity, and its market price is subject to fluctuations driven by factors including expectations of future global supply-and-demand dynamics and short-term market trading activities. Given that natural uranium is one of the primary cost components in the production of nuclear fuel assemblies, the pricing of natural uranium has a direct impact on the overall cost of fuel assemblies. As the market price of natural uranium is linked to international market prices, fluctuations in market prices will affect the procurement cost of natural uranium. An increase in the prevailing market price of natural uranium would lead to higher procurement costs, which would, in turn, be ultimately reflected in higher prices for fuel assemblies.

(ii) Conversion, enrichment, assembly processing and others: CGN Uranium purchases conversion, enrichment and other services from multiple suppliers at home and abroad to ensure its supply of fuel processing services. The specific pricing method is composed of:

- Pricing basis: Pursuant to the relevant policy requirements (such as nuclear fuel processing) in China; with reference to the characteristics of international and domestic nuclear fuel markets; with an aim to meet the needs for fuel supply of the nuclear power plants of the Group in terms of safety, economic efficiency and reliability;
- International market conditions: Based on the current and future supply and demand expectations in the international market, consideration is made while taking the fuel market indexes announced and projected by international market consulting agencies (UxC and TradeTech) as reference; and
- Domestic price levels: Consideration is made according to the characteristics and cost levels of the domestic market.

The above fees stated in (i) and (ii) cover the direct costs of natural uranium, conversion, enrichment, assembly processing and others, as well as the indirect costs of assembly processing supervision, technical support, inventory, management costs, etc., involved in the supply of nuclear fuel assemblies.

(2) Spent fuel storage and transportation services: mainly comprise services for the transportation of radioactive materials. Suppliers with qualifications for the transportation of radioactive materials are limited in China, and most of which are competitors of CGN Group. For such business, the Group usually conducts price consultation on the suppliers that meet the qualification requirements first. If two or more suppliers are willing to provide price quotations, the Group determines the suppliers by comparing their quotations. In case that no supplier is willing to

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provide price quotation due to competition, the Group negotiates with CGN Group to determine the price with reference to the survey prices. Such survey prices are obtained by the Company by conducting price consultation on other storage and transportation services suppliers in the market which do not meet the specific qualification requirements. The Company considers that the survey prices remain fair and reasonable reference benchmarks because the relevant suppliers provide logistics services with substantially the same originating locations, transportation routes and distances, vehicle types and conditions, service scope, loading volumes and timing, such that the key cost drivers are comparable even if the specific qualification requirements are not met; and

- (3) Other nuclear fuel supply and services: mainly comprise test samples of nuclear fuel assemblies and related services required by the Group to carry out research & development relating to nuclear fuel assemblies. For those with historical records of purchasing similar test samples from Independent Third Parties, the purchase price shall be determined with reference to the historical purchase prices, the characteristics of the items to be purchased, and the increase in materials and labor costs. For services without historical records of purchasing similar test samples from Independent Third Parties, the purchase price shall be determined on a cost-plus basis. In determining the price, the Company will make reference to historical procurement records of similar items or services (where applicable) to verify the composition of procurement costs. The profit margin applied by the relevant connected persons will be determined having regard to prevailing market standards. In particular, the Company will ensure that the relevant profit margins are not less favourable than the “Good” benchmark for cost-plus profit margins or operating margins of large-scale state-owned enterprises as set out in the *Enterprise Performance Evaluation Standard Values* published by the SASAC from time to time.

The Board has considered the pricing mechanisms under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement, in particular, the Board has taken into account that the pricing of the transactions is determined in accordance with clearly defined pricing policies, including market-based pricing with reference to international market indexes published by independent industry consulting companies, cost-plus pricing with reference to reasonable and verifiable costs and external benchmarks, as well as historical and comparable independent third-party transaction prices, where applicable. The relevant pricing parameters are determined with reference to prevailing market practices and objective external benchmarks and are not less favourable than those applicable to comparable independent third-party transactions. In addition, the transactions are subject to the Company’s internal control and approval procedures.

Based on the foregoing, the Board is of the view that the basis of determining the pricing under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement is fair and reasonable and in the interests of the shareholders of the Company as a whole.

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Termination: Before the termination of the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement, both parties may jointly negotiate for the signing of a new agreement to ensure the normal production and operation of both parties.

Historical amounts: For the three years ended December 31, 2023, 2024 and 2025, and as of the date of the announcement, the fees paid/payable by the Group to CGN Group in respect of nuclear fuel supply and services are set out below:

	Year ended December 31, <i>(RMB100 million)</i>			From January 1, 2026 to the date of the announcement
	2023	2024	2025	2026
	Total fees paid/payable by the Group to CGN Group	96.23	83.29	98.93

Proposed annual caps: The maximum annual amounts for the years 2026, 2027, 2028 and 2029 shall not exceed the caps as set out in the table below:

	Year ending December 31, <i>(RMB100 million)</i>				
	Existing approved annual cap 2026	Proposed annual caps			
		2026	2027	2028	2029
Total fees paid/payable by the Group to CGN Group	159.70	180.00	209.00	239.00	280.00

Basis of caps: In determining the above proposed annual caps, the Directors have considered, among other factors:

- (i) the historical transaction amounts for nuclear fuel supply and services provided by CGN Group to the Group;
- (ii) the refuelling outage plan of the nuclear power generating units in operation and the commissioning plan of the nuclear power generating units under construction of the Group, for example, Huizhou Unit 1 and Unit 2 and Lufeng Unit 5 will be put into commercial operation in the coming two years;

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- (iii) our expected increase in demand for nuclear fuel supply and services due to business expansion. For example, based on an undertaking made by CGN, upon the fulfillment of specific conditions, the retained nuclear power business owned by CGN in the PRC will be transferred to the Company;
- (iv) the value of existing contracts for the procurement of nuclear fuel supply and services, together with the relevant delivery dates for nuclear fuel supply and services under such contracts; and
- (v) the expected increase in the costs of manufacturing, importing and transportation of nuclear fuel assemblies due to inflation and market changes.

In determining the revised 2026 annual cap and the demand for nuclear fuel supply and services of the Group for the three years ending December 31, 2029, the Directors have considered, among other factors:

- (a) the increase from the existing approved annual cap of approximately RMB15,970 million for the year ending December 31, 2026 to the proposed annual cap of approximately RMB18,000 million, representing a difference of approximately RMB2,030 million, which is mainly due to, among others, (i) according to the construction progress of Lufeng Unit 5, the first furnace of fuel is anticipated to arrive in 2026; and (ii) the increase in market prices of natural uranium and assembly processing;
- (b) the increase from the proposed annual cap of approximately RMB18,000 million for the year ending December 31, 2026 to the proposed annual cap of approximately RMB20,900 million for the year ending December 31, 2027, representing a difference of approximately RMB2,900 million, which is mainly due to, among others, according to the refuelling outage plan of the generating units in operation and the loading plan for the first furnace of nuclear fuel of the generating units under construction, the number of nuclear fuel assemblies to be delivered in 2027 will be more than that in 2026, and the volume of nuclear fuel assembly supply services accepted will increase;
- (c) the increase from the proposed annual cap of approximately RMB20,900 million for the year ending December 31, 2027 to the proposed annual cap of approximately RMB23,900 million for the year ending December 31, 2028, representing a difference of approximately RMB3,000 million, which is mainly due to, among others, according to the outage plan of the generating units in operation and the loading plan for the first furnace of nuclear fuel of the generating units under construction, the number of nuclear fuel assemblies to be delivered in 2028 will be more than that in 2027, and the volume of nuclear fuel assembly supply services accepted will increase; and
- (d) the increase from the proposed annual cap of approximately RMB23,900 million for the year ending December 31, 2028 to the proposed annual cap of approximately RMB28,000 million for the year ending December 31, 2029, representing a

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difference of approximately RMB4,100 million, which is mainly due to, among others, according to the outage plan of the generating units in operation and the loading plan for the first furnace of nuclear fuel of the generating units under construction, the number of nuclear fuel assemblies to be delivered in 2029 will be more than that in 2028, and the volume of nuclear fuel assembly supply services accepted will increase.

In determining the revised annual cap for the year ending December 31, 2026 and the proposed annual caps for the three years ending December 31, 2029, the Directors have considered that more than 98% of the proposed annual caps for each of the four years are attributable to refuelling outages of nuclear power generating units in operation and the initial fuel loading for new generating units planned to be put into commercial operation. Such demand is primarily determined based on the commissioning plan and the outage plan of the generating units.

During the period from 2026 to 2029, the Group does not expect any decommissioning of generating units in operation, while new generating units are expected to continue to commence commercial operation. As a result, the Group's demand for nuclear fuel supply and services is expected to experience constant growth. All nuclear power generating units of the Group are designed with an 18-month refuelling cycle. As at March 31, 2026, the Group had 28 generating units in operation, which will undergo refuelling outages in accordance with their scheduled outage plans.

The cost of nuclear fuel assemblies in respect of refuelling outages is calculated based on the number of generating units requiring nuclear fuel assemblies during the relevant period, multiplied by the number of nuclear fuel assemblies required per batch and the unit price of each assembly.

In addition, the Group currently manages 20 nuclear power generating units under construction, of which 12 are expected to commence commercial operation between 2026 and 2030. The first furnace of fuel will be completed prior to the commercial operation of each generating unit. The cost of initial nuclear fuelling is calculated based on the number of generating units requiring initial nuclear fuelling during the relevant period, multiplied by the number of nuclear fuel assemblies required for initial fuelling and the unit price of each assembly.

The remaining portion of the proposed annual caps mainly relates to the Group's procurement, storage and transportation of spent fuel, as well as scientific research projects. The projected amounts for such services are determined with reference to the signed contracts or the scientific research expenditures specified in the relevant scientific research task sheets.

Directors' views: Taking into account the established business relationship and cooperation between the Group and CGN Group in respect of the nuclear fuel related services, the Directors (including the independent non-executive Directors) are of the view that the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the related proposed

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annual caps set forth above are entered into during the Group's ordinary and usual course of business on normal commercial terms, are fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders as a whole.

Listing Rules implications: As at the Latest Practicable Date, CGN is the Controlling Shareholder of the Company. Pursuant to Rule 14A.07 of the Listing Rules, CGN and its associates are connected persons of the Company. Therefore, the transactions contemplated under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement by the Group and CGN and/or its associates will constitute Continuing Connected Transactions of the Company pursuant to Chapter 14A of the Listing Rules.

Pursuant to Rule 14.07 of the Listing Rules, as one or more of the applicable percentage ratios calculated in respect of the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the transactions contemplated thereunder (including the related proposed annual caps) exceed 5% on an annual basis, the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the transactions contemplated thereunder (including the related proposed annual caps) will constitute non-exempt Continuing Connected Transactions of the Company, and are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Risk control measures: The Company has established a series of internal control measures, including formulating the "Management Rules on Connected Transactions of CGN Power Co., Ltd.", "Management Procedures on Connected Transactions of CGN Power Co., Ltd." and a connected transaction management system to standardize and stipulate the pricing policies and mechanism, the assignment of responsibility and decision making authority to ensure the Continuing Connected Transactions are conducted in accordance with their respective framework agreements, and that the pricing policies will be strictly complied with. We will evaluate the Continuing Connected Transactions on at least a quarterly basis.

In particular, the applicable guiding principles and relevant internal control measures are as follows:

- (1) For the purpose of the principles of government price, the Group reviews the relevant government-prescribed price or government-guided price to ensure that the price of the connected transaction with CGN Group complies with the relevant government prescribed price or government-guided price;
- (2) For the purpose of the principles of market price, the Group reviews the terms provided by the Independent Third Parties, and ensures that the principal terms provided by CGN Group are no less favourable to the Group than those provided by the Independent Third Parties;

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- (3) For the purpose of the principles of agreed price, if both the principles of the government price and market price are not applicable, the price with CGN Group will be determined by adding a reasonable profit over a reasonable cost, and the Group will ensure that the relevant profit is no less favourable than that provided by the Independent Third Parties; and
- (4) The Group will engage auditors to review the connected transactions between the Group and CGN Group to ensure that the proposed transactions contemplated under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement will be conducted in accordance with the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange, the Listing Rules and other relevant regulations, and comply with the relevant disclosure requirements.

For the purpose of the transactions contemplated under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement, if the prices of relevant transactions are to be determined under the principle of the agreed price, the Group will track government standards in real time for any changes and the prices of services to be procured by the Group on the market regularly, to ensure such transactions are conducted on normal commercial terms or more favourable terms, and will conduct internal audits from time to time to ensure a reasonable price level.

Based on the approved annual caps, annual monitoring target amounts for each company within the Group are set out at the beginning of each year. The Company will conduct evaluations at least once per quarter, utilizing data benchmarks consistent with those used in the quarterly, interim, and annual reports disclosed by the Company following the end of each respective period. Furthermore, the Company will review connected transaction contracts to be entered into by the Group that reach a certain threshold, as well as contracts not contemplated within the scope of the basis used to determine the annual caps, before the subsequent approval procedures can be finalized. This ensures that the cumulative annual transaction amounts remain within the approved annual caps, or to apply for an adjustment to the approved annual caps in a timely manner. No fewer than five employees from the Company's department responsible for management of connected transactions are dedicated to above-mentioned tasks, ensuring the rigorous implementation of annual cap monitoring.

In the event that the proposed annual caps of the transactions contemplated under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement are exceeded, renewed or materially varied, the Company will re-comply with the approval and disclosure requirements pursuant to relevant rules.

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In addition to the abovementioned control measures for pricing risks, the nuclear fuel supply and services are mainly subject to the risk of untimely supply of nuclear fuel. For such risk, the relevant internal control measures are as follows:

- (1) Pursuant to the nuclear fuel procurement and supply services agreements entered into between the subsidiaries of the Company and CGN Uranium, the subsidiaries of the Company informed CGN Uranium of their future commissioning plans and power generation plans, and have the right to adjust such plans according to its project construction status, operations of nuclear power plants and power grid requirements, while CGN Group needs to take all feasible measures to ensure the safe and stable supply of nuclear fuel and to provide related services in case of any adjustment to the plans. No commencement of production or refuelling plan has been delayed due to untimely supply of nuclear fuel; and
- (2) With abundant raw materials and resources of nuclear fuel assemblies, CGN Uranium entered into long-term conversion, enrichment and assembly processing service contracts with multiple companies, and provided nuclear fuel assemblies separately to the subsidiaries of the Company. Its resources and technical capabilities can ensure the timely supply of nuclear fuel assemblies.

Information on the Parties

The Group

The Group mainly constructs, operates and manages nuclear power stations, sells electricity generated by these stations, and organizes and develops the design and research & development of nuclear power stations.

CGN

Established on September 29, 1994, CGN is a large clean energy enterprise under supervision of the State-owned Assets Supervision and Administration Commission of the State Council of the People's Republic of China. CGN Group is principally engaged in the generation and sale of power, and the construction, operation and management of nuclear and non-nuclear clean projects. As at the Latest Practicable Date, CGN is the Controlling Shareholder of the Company.

Board's Approval

In this regard, the Company convened a Board meeting on March 25, 2026. Mr. Yang Changli, Mr. Pang Songtao and Ms. Li Li, the Directors who are considered to have conflict of interests in the above transactions contemplated thereunder the Continuing Connected Transactions, have abstained from voting on the resolutions in relation to the Continuing Connected Transactions. The Board has considered and approved the resolutions in relation to the Continuing Connected Transactions.

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The Directors (including the independent non-executive Directors) are of the view that the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement (including the proposed annual caps thereto) and all related matters thereof are fair and reasonable, on normal commercial terms and in the interests of the Group and the Shareholders as a whole. The resolutions in relation to the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement, all transactions contemplated thereunder, and the annual caps as set out above will be submitted to the 2025 AGM for the Independent Shareholders' consideration and approval.

Independent Board Committee

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders as to whether the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement (including the proposed annual caps thereto) is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Independent Financial Adviser

Gram Capital Limited has been appointed by the Company as the Independent Financial Adviser of the Company to advise the Independent Board Committee and the Independent Shareholders as to whether the transactions under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the proposed annual caps thereto are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Connected Persons who are Required to Abstain from Voting

CGN Group is considered to have material interests in the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement. In accordance with Rule 14A.36 of the Listing Rules, any connected person who has material interests in such connected transactions must abstain from voting on the relevant resolutions at the general meeting. CGN holds 29,736,876,375 Shares in the Company, representing approximately 58.89% of the total issued Shares of the Company, and shall abstain from voting on the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement at the 2025 AGM. As at the Latest Practicable Date, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, there is (i) no shareholding trust or other agreement or arrangement or intention entered into by its ultimate beneficial owners and their respective associates which binding upon them; and (ii) no obligation or entitlement of its ultimate beneficial owners and their respective associates as at the Latest Practicable Date, whereby they have or may have temporarily or permanently passed control over the exercise of the voting rights in respect of its Shares to a third party, either generally or on a case-by-case basis.

As at the Latest Practicable Date, and to the best knowledge, information and belief of the Directors, saved as disclosed in this circular, no Shareholder is required to abstain from voting in respect of other resolutions.

LETTER FROM THE BOARD

11. To consider and approve the major transactions and continuing connected transactions – 2027-2029 Financial Services Framework Agreement and the proposed annual caps thereto

Background

The Company entered into the Financial Services Framework Agreement with CGN on November 21, 2014. After multiple renewals, the 2024-2026 Financial Services Framework Agreement currently in effect has a term until December 31, 2026. As a continuation of the above agreement, the Company has entered into the 2027-2029 Financial Services Framework Agreement with CGN on March 25, 2026, pursuant to which, CGN Group will provide financial services to the Group, including but not limited to financial services such as depository, loans, entrustment loans, annum-based and project based financial consulting services, settlement services, insurance services and financial leasing services.

The 2027-2029 Financial Services Framework Agreement will be valid and effective from January 1, 2027 to December 31, 2029. Separate contracts will be entered into between relevant entities of both parties, which will formulate the specific terms and conditions in accordance with the principles provided in the above agreements, and the related service fees will be settled with self-owned funds.

The annual transaction amount cap for 2026 under the 2024-2026 Financial Services Framework Agreement was approved by the Company at the 2022 AGM. Given that the scope of services and pricing principles remain unchanged, the approved annual cap for CGN Group to provide loan services to the Group in 2026 is subject to upward adjustment primarily in light of the impact of outstanding special bonds issued by the State-owned Assets Supervision and Administration Commission of the State Council and the potential new special bonds.

Reference is made to the announcement of the Company dated March 25, 2026 in relation to the major transactions and the continuing connected transactions, which announced that the Board had considered and approved the resolution on entering into the 2027-2029 Financial Services Framework Agreement and the proposed annual caps thereto with CGN on March 25, 2026, which is submitted at the 2025 AGM for the Independent Shareholders' consideration and approval. CGN will abstain from voting on the ordinary resolution in relation to the 2027-2029 Financial Services Framework Agreement and the proposed annual caps thereto at the 2025 AGM.

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Reasons and Benefits for the Transactions

- (1) The Group is expected to benefit from CGN Group's familiarity of the Group's industry and operations. Through years of cooperation, Financial Service Providers under CGN have become familiar with the Group's capital structure, business operations, funding needs, cash flow pattern, cash management and the overall financial administrative system of the Group, which enable them to render more expedient, efficient and flexible services to the Group than the big four commercial banks and independent financial institutions in the PRC.
- (2) The Financial Service Providers under CGN are able to provide loans to the Group on a fast-track basis with simplified and streamlined approval, drawdown and repayment procedures. When the Group needs to conduct any urgent business and operating activities, the Financial Service Providers under CGN are well positioned to provide the Group with short-term funding support in a timely and efficient manner. Moreover, the interest rates applicable to the loans provided by the Financial Service Providers under CGN to us are no less favorable than those available from the big four commercial banks or independent financial institutions.
- (3) Pursuant to the General Provisions of Loans (《貸款通則》) issued by the PBOC and with the supervision of the NFRA, loans can only be provided by authorized institutions with relevant operational permits and licenses and as approved and supervised by the relevant PRC authorities. Historically, the Group had been engaging the Financial Service Providers under CGN to provide entrustment loan services to the Group on terms no less favorable than those available from the big four commercial banks or independent financial institutions.
- (4) The 2027-2029 Financial Services Framework Agreement does not prevent the Group from using services provided by other commercial banks or independent financial institutions in the PRC. The Group retains discretion to make its selection according to its business needs as well as the fees and quality of such services. The Group may (but is not obliged to) utilize the financial services provided by the Financial Service Providers under CGN to deploy and manage its financial resources flexibly and efficiently. The procurement of financial services provided by the Financial Service Providers under CGN is carried out in the Group's ordinary and usual course of business.
- (5) In terms of financing, CGN Group is highly professional and maintains sound cooperation with various banking institutions, which is conducive to striving for better financing terms.

LETTER FROM THE BOARD

Pricing Policy and its Application

The following guiding principles of pricing shall apply to the related services contemplated under the 2027-2029 Financial Services Framework Agreement in the following order:

- (1) Government-prescribed price and government-guided price: if at any time, the government-prescribed price is applicable to any particular type of products or services, such product or service shall be supplied at the applicable government-prescribed price. Where a government-guided fee standard is available, the price will be agreed by reference to the government-guided price.

Currently, neither a government-prescribed price nor a government-guided price is applicable to the services under the 2027-2029 Financial Services Framework Agreement, but the Company will continue to closely track the update of the relevant government-prescribed price and government-guided price, and adopt any of the applicable government-prescribed price and government-guided price, if any, in future;

- (2) Market price: the price of the same or similar products, technology or services provided by an Independent Third Party during the ordinary course of business on normal commercial terms.

Currently, the pricing of the services under the 2027-2029 Financial Services Framework Agreement is determined with reference to, and no less favorable than, the relevant interest rate or rate level available from the big four commercial banks for similar services. For the service items under the 2027-2029 Financial Services Framework Agreement, the Company will make price inquiries from external banks (namely from each of the big four commercial banks of China) at least once per month in respect of services of a similar type as a reference for the price of services with CGN Group. For example, the Group conducts monthly price inquiries on deposit interest rates from the big four commercial banks to ensure that the interest rate level of the deposit services provided by CGN Group is no less favorable than that of the big four commercial banks for deposit services of a similar type for the same period; and

- (3) Agreed price: the price to be determined by adding a reasonable profit over a reasonable cost.

Currently, the pricing of the services under the 2027-2029 Financial Services Framework Agreement is mainly determined with reference to market prices. The Company will continue to closely track the pricing of such services. If the market price is not applicable, the Company will consider the reasonableness of the costs and profit of such services.

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In addition to the above guiding policies of pricing, after arm's length negotiations between the Company and CGN, pursuant to the 2027-2029 Financial Services Framework Agreement, the financial services shall be provided in accordance with the following pricing principles:

- (1) The interest rate of the deposits placed by the Group with the Financial Service Providers under CGN will not be lower than (i) the interest rate for deposits of a similar type for the same period placed by other subsidiaries of CGN Group; and (ii) the interest rate for deposits of a similar type for the same period offered by the big four commercial banks to the Group.
- (2) CGN Group provides loans to the Group through the Financial Service Providers under CGN and the interest rate shall be determined in accordance with the following conditions: (i) normal commercial terms with no security over the assets of the Group charged in respect of the loans; (ii) no less favorable than the comparable loan interest rates offered to the Group by independent commercial banks or financial institutions; and (iii) no less favorable than the comparable loan interest rates provided by CGN Group to other subsidiaries of CGN through the Financial Service Providers under CGN.
- (3) The service fees for settlement, entrustment loans and other financial services shall not be higher than (i) fees charged by independent commercial banks or financial institutions; and (ii) fees charged to other subsidiaries of CGN for similar services provided by the Financial Service Providers under CGN.

Termination: Before the termination of the 2027-2029 Financial Services Framework Agreement, both parties may jointly negotiate for the signing of a new framework agreement to ensure the normal production and operation of both parties.

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Historical amounts: (i) The service fees paid by the Group to CGN Group in respect of settlement, entrustment loans and other financial services; (ii) the maximum daily balance of deposits and interest income of the deposits placed by the Group with CGN Group; and (iii) the maximum daily balance of the loans provided by CGN Group to the Group for the three years ended December 31, 2023, 2024 and 2025, and as at the date of the announcement, are set out below:

	Year ended December 31,			From
	<i>(RMB100 million)</i>			January 1,
	2023	2024	2025	2026 to the date of the announcement
Service fees paid to CGN Group in relation to settlement, entrustment loans and other financial services	0.11	0.03	0.05	0.01
Maximum daily balance of deposits and interest income of the deposits placed by the Group with CGN Group	197.26	223.95	300.17	237.07
Maximum daily balance of the loans provided by CGN Group to the Group	241.89	221.64	312.50	275.42

As at December 31, 2023, December 31, 2024 and December 31, 2025, approximately 97.35%, 98.53% and 98.46% of the Group's deposits was placed with CGN Group, while approximately 6.11%, 6.91% and 8.73% of the Group's loans was provided by CGN Group to the Group.

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Proposed annual caps: The maximum annual amounts for the years 2026, 2027, 2028 and 2029 shall not exceed the caps as set out in the table below:

	Year ended December 31,				
	<i>(RMB100 million)</i>				
	Existing approved annual cap 2026	Proposed annual caps			
	2026	2027	2028	2029	
Service fees paid to CGN Group in relation to settlement, entrustment loans and other financial services	0.1	(unchanged)	0.1	0.1	0.1
Maximum daily balance of deposits and interest income of the deposits placed by the Group with CGN Group	445.0	(unchanged)	457.0	482.0	508.0
Maximum daily balance of the loans provided by CGN Group to the Group ^(Note)	450.0	(increase)	619.0	672.0	705.0

Note: CGN Group also provides loans and other financial supports to the Group under the 2027-2029 Financial Services Framework Agreement. These transactions are financial supports provided to the Group by connected persons on normal commercial terms or more favorable terms with no security over the assets of the Group. Therefore, pursuant to Rule 14A.90 of the Listing Rules, these transactions are fully exempt from Shareholders' approval, annual review and all other disclosure requirements under Chapter 14A of the Listing Rules. In order to inform the Shareholders of the amount expected to be involved in these loans and other financial supports, the Company voluntarily maintains the practice as disclosed in the past by setting annual caps for them and then submitting such proposed annual caps to the Independent Shareholders for approval.

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Basis of caps: In determining the above proposed annual caps, the Directors have considered, among other factors:

- (1) Caps for financial service fees to be paid to CGN Group: In determining the proposed annual caps for the service fees in relation to settlement, entrustment loans and other financial services, we have considered, among other factors, (i) with reference to the service fees for entrustment loans for the year ended December 31, 2025; (ii) with reference to the cash settlement handling fees for the year ended December 31, 2025; and (iii) the Group's future business demand for the other financial services.
- (2) Caps for deposits and interest income: In determining the maximum daily balance of deposits and interest income, we have considered, among other factors, (i) the maximum daily balance of cash and cash equivalent of the Group for the year ended December 31, 2025 together with interest income; (ii) the operating cash flow requirements and financial needs of the Group for its operations and future business expansion; and (iii) the expected increase in interest income by placing deposits with CGN Finance (including but not limited to the increase in the revenue from sales of electricity after the acquisition of the retained nuclear power business of CGN Group) on the basis that CGN Finance is under the supervision of the NFRA and it has been maintaining satisfactory operating results and financial position with good risk control and well-regulated management in order to reduce the potential risks.
- (3) Caps for loans provided by CGN Group to the Group: In determining the maximum daily balance of loans provided by CGN Group to the Group, we have considered, among other factors, (i) the maximum daily balance of loans provided by CGN Group to the Group for the year ended December 31, 2025; (ii) the provision of loans by CGN Group to the Group on normal commercial terms which are similar to or no less favorable than those available from Independent Third Parties for comparable services in the PRC and the Group's expectation that the demand for loans will increase in line with its business development (including but not limited to the increase in demand for repayment of principal and interest after the acquisition of the retained nuclear power business of CGN Group); and (iii) no security over the assets of the Group in respect of such loans.

In particular, the cash inflows from financing activities for the years 2023, 2024 and 2025 were approximately RMB61.3 billion, RMB109.0 billion and RMB121.0 billion, respectively. The funding requirements of the Group primarily consist of the construction expenditure for nuclear power generating units under construction (approximately RMB40.0 billion per two generating units), of which 70% to 80% shall be secured through long-term bank loans with terms of 20 to 30 years. Once the nuclear power generating units commence commercial operation, the operating cash inflows from electricity sales will be used to gradually repay long-term borrowings over a period of 15 to 25 years, whilst working capital loans will be drawn down to cover nuclear fuel expenditure and other daily operational funding

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requirements. With the increase in the newly approved generating units and generating units in operation in subsequent years, the Group's funding requirements are expected to be no less than the cash inflows from financing activities in 2025.

In respect of the proposed annual caps for the fees of financial services to be paid to CGN Group, the proposed annual cap for each year ending December 31, 2027, 2028 and 2029 remains unchanged.

In respect of the proposed annual caps for deposits and interest income, we have mainly considered the following factors:

- a) the impact of refuelling outage of the existing nuclear power generating units on the revenue from electricity sales in each year from 2027 to 2029. Such revenue projection is based on the estimated electricity to be sold by each nuclear power generating unit with reference to the historical on-grid power generation in 2025 and the time taken for refuelling outage in 2025, and the estimated price of the electricity to be sold by each nuclear power generating unit with reference to the tariff in 2025;
- b) the revenue from electricity sales from the nuclear power generating units which are expected to commence operation from 2027 to 2029, based on the estimated electricity to be sold by each nuclear power generating unit with reference to the construction progress of each nuclear power generating unit, and the average tariff of the Group in 2025; and
- c) the revenue to be generated from the existing major contracts of engineering services for the period from 2027 to 2029 based on the amount of the signed contracts or similar contracts and the settlement arrangements.

The increase in the proposed annual caps for deposits and interest income is primarily attributable to the expected increase in the Group's operating revenue and cash inflows derived from electricity sales generated by its nuclear power generating units. Over 80% of the Group's operating revenue is derived from electricity sales. In addition to the 28 generating units currently in operation, which are expected to continue to generate stable revenue, seven generating units under construction are expected to commence commercial operation successively between 2026 and 2029, thereby generating additional electricity sales revenue and cash inflows. With the gradual commencement of operation of the Group's nuclear power generating units under construction, more deposits will be generated, leading to an increase in the caps for deposits and interest income of the Group to be deposited with CGN Group. The proposed annual caps, which are determined by reference to the Group's projected operating scale and cash inflows, are fair and reasonable.

There are different uses of the deposit services and the loan services under the 2027-2029 Financial Services Framework Agreement. The deposits to be placed by the Group with CGN Group from 2027 to 2029 represent cash generated from its operating revenue, which will be

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mainly used for its daily operations for such period, while the loans to be provided by CGN Group to the Group for such period will be used to repay loans of the Group and pay for the Group's expenses to be incurred in the construction of nuclear power units for such period.

As at December 31, 2025, the Group had cash at bank and on hand of approximately RMB20.827 billion. As the Company's cash level is far lower than the capital demand, loans are needed for the operations of the Company.

Bank and other borrowings of the Group, which comprise short-term loans, long-term loans, bonds payable and long-term loans and bonds payable due within one year, were approximately RMB199.313 billion, RMB198.161 billion and RMB271.943 billion as at December 31, 2023, 2024 and 2025, respectively. The funding needs of the Group as at December 31, 2023, 2024 and 2025 were higher than the maximum daily balance of the loans provided by CGN Group to the Group.

In respect of the proposed annual caps for the loans provided by CGN Group to the Group, we have mainly considered the expected loan demand of the Group, which is based on (including but not limited to): (i) the demand for repayment of principal and interest of the nuclear power projects in operation of the Group and the funding needs for the nuclear power projects under construction; (ii) the expected funding needs for the projects to be approved after the nuclear power generating units commence construction; and (iii) the special bonds issued by the State-owned Assets Supervision and Administration Commission of the State Council. In particular, the estimated investment amount for each nuclear power project (2 generating units) currently under construction by the Company is approximately RMB40.0 billion; in 2025, the special bond funds granted by the State-owned Assets Supervision and Administration Commission of the State Council for Huizhou Unit 1 and Unit 2 managed by the Group, as well as research & development projects, amounted to approximately RMB4.1 billion. It is estimated that the Company will secure an additional RMB4.9 billion in special bond funds in 2026. Against the backdrop of the state's continued promotion of implementation of major national strategies and enhancement of security capacity in key areas, the Group will continue to seek special bond funds in subsequent years.

Given the Group's nuclear power generating units under construction will be put into operation one after another and the construction of new nuclear power generating units will commence, the Group's demand for repayment of principal and interest and construction funds will increase, resulting in an increase in the demand and caps for loans to be provided by CGN Group to the Group.

The process from construction of nuclear power projects to commencement of operations generally takes about 60 months following approval by the government and ongoing financing is required. Given that the interest rates applicable to the loans provided by CGN Group to us are no less favourable than those available from the big four commercial banks or independent financial institutions in the PRC, and such funding can meet the urgent capital needs of the Company in a timely and efficient manner, such increase in financing is in line with the interests of the Company and its Shareholders as a whole.

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Directors' views: The role of CGN Finance is similar to centralized cash management via which funds from different members within the Group and CGN Group in the PRC are concentrated into the accounts maintained by CGN Finance in the PRC which, in return, will pay interest on deposits received or charge interest on the loans provided. Through CGN Finance (and thereby centralized fund management), the Group and CGN Group can enjoy the benefit of efficiency enhancement in fund deployment between their subsidiaries in the PRC. The centralized cash management primarily aims to enable cash surpluses of certain subsidiaries of the Group and CGN Group to cover the funding requirements of the others in the PRC, which can reduce or remove the need for external financing. Ultimately, the primary aim is to optimize the efficient use of cash resources among the subsidiaries of the Group and CGN Group in the PRC. In view of the above acceptance of services from CGN Group, the Group has adopted various measures and guidelines to monitor the risk of the deposit services and loan services under the 2027-2029 Financial Services Framework Agreement. In particular, having considered the proportion of the Group's deposits placed with CGN Finance and the potential risk that such deposits cannot be withdrawn, in order to ensure the security of the Group's deposits with CGN Finance, the Group has obtained undertakings from CGN, among which, the Group is entitled, in certain cases, to offset deposits placed with CGN Finance that cannot be withdrawn with loans provided by CGN Finance; and CGN Group shall procure the financial health of CGN Finance and its due performance under the 2027-2029 Financial Services Framework Agreement. The Company is also able to monitor the financial position of CGN Finance from time to time through its director representative in the board of directors of CGN Finance. For more information, please refer to the paragraph headed "Risk control measures" in this circular. Therefore, the Directors are of the view that although there is acceptance of such deposit services and loan services from CGN Group, engaging the deposit services and loan services under the 2027-2029 Financial Services Framework Agreement is in the interest of the Company and its Shareholders as a whole.

Taking into account the established business relationship and cooperation between the Group and CGN Group in respect of the financial services, the Directors (including the independent non-executive Directors) are of the view that the 2027-2029 Financial Services Framework Agreement and the proposed annual caps thereto set forth above are entered into during the Group's ordinary and usual course of business on normal commercial terms, are fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders as a whole.

Listing Rules implications: As at the Latest Practicable Date, CGN is the Controlling Shareholder of the Company. Pursuant to Rule 14A.07 of the Listing Rules, CGN and its associates are connected persons of the Company. Therefore, the transactions contemplated under the 2027-2029 Financial Services Framework Agreement by the Group and CGN and/or its associates will constitute Continuing Connected Transactions of the Company pursuant to Chapter 14A of the Listing Rules.

In respect of the proposed annual caps of the service fees to be paid to CGN Group in relation to settlement, entrustment loans and other financial services under the 2027-2029 Financial Services Framework Agreement, as all the applicable percentage ratios (as defined

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under Rule 14A.06 of the Listing Rules) for the three years ending December 31, 2029 are below 0.1%, the settlement, entrustment loans and other financial services under the 2027-2029 Financial Services Framework Agreement constitute de minimis Continuing Connected Transactions and are fully exempt from the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In respect of the proposed maximum daily balance of deposits and interest income of the deposits to be placed by the Group with CGN Group under the 2027-2029 Financial Services Framework Agreement, as one or more of the applicable percentage ratios (as defined under Rule 14A.06 of the Listing Rules) for the three years ending December 31, 2029 exceed 5%, the deposit services under the 2027-2029 Financial Services Framework Agreement are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. Meanwhile, in respect of the proposed maximum daily balance of deposits and interest income of the deposits to be placed by the Group with CGN Group under the 2027-2029 Financial Services Framework Agreement, as one of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) for the three years ending December 31, 2029 exceeds 25%, the deposit services under the 2027-2029 Financial Services Framework Agreement also constitute major transactions under Chapter 14 of the Listing Rules.

In respect of the provision of loans by CGN Group to the Group under the 2027-2029 Financial Services Framework Agreement on normal commercial terms or more favorable terms with no security over the assets of the Group, pursuant to Rule 14A.90 of the Listing Rules, such transactions are fully exempt from the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. In order to inform the Shareholders of the amount expected to be involved in such loans and other financial supports, the Company voluntarily maintains the practice as disclosed in the prospectus by setting annual caps for them and then submitting such proposed annual caps to the Independent Shareholders for approval.

Risk control measures: As part of the risk controls, the Group has adopted the following measures to monitor the financial services contemplated under the 2027-2029 Financial Services Framework Agreement:

- (1) The Group has measures and guidelines in place to monitor the overall arrangements on deposits and entrustment loans from time to time. The Group also has procedures in place providing a comprehensive assessment of the capital operation and risk exposure of the Financial Service Providers under CGN, and regular review of the services provided by the Financial Service Providers under CGN. The Group has engaged an independent third-party audit firm to assess the operational qualification, business and risk condition of CGN Finance under CGN Group as of December 31, 2025. The assessment indicated that CGN Finance has legal and valid business qualification. No material flaw was found in the internal control system of CGN Finance and no breach of the requirements under the "Administrative Measures for Enterprise Group Finance Companies" by CGN Finance. The

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respective regulatory indicators have complied with the requirements of Rule 34 of the “Administrative Measures for Enterprise Group Finance Companies”. The risks of connected transactions and deposit and loan business among the Group and CGN Finance are under control.

- (2) CGN Group (including CGN Finance) has provided the following undertakings to the Group to, among other things, ensure the security and reasonable pricing of the Group’s deposits with CGN Finance:
 - (i) CGN Finance shall provide to the Group, at all times, financial services with terms no less favorable than (a) the comparable financial services provided to CGN Group; and (b) the comparable financial services provided to the Group by the big four commercial banks or other independent financial institutions; the Company shall conduct price consultations with the big four commercial banks in respect of the similar types and sizes of deposit services on monthly basis to ensure that CGN Finance provides the Company with the deposit service pricing in line with the requirements of the terms of the 2027-2029 Financial Services Framework Agreement;
 - (ii) CGN Finance has a reasonable corporate governance structure and a sound internal control system to ensure that its risk monitoring indicators and major regulatory indicators (such as gearing ratio, interbank borrowing ratio and liquidity ratio) meet the requirements of the NFRA and other applicable laws and regulations; and
- (3) CGN Group shall take all necessary actions to procure the financial health of CGN Finance and its due performance under the 2027-2029 Financial Services Framework Agreement, including provision of capital injection to CGN Finance in case of payment difficulties arising from its operations to compensate the Group with the interest of the deposits placed with CGN Finance. If the Group becomes aware of any material adverse change in the financial conditions of CGN Finance, the Group will take immediate measures, including early withdrawal of deposits, to minimize any adverse impact. In order to effectively safeguard, immediately control and solve the capital risk of deposit and loan business for capital safety, the Company shall formulate the risk management proposal and engage the independent third-party audit firm to assess the proposal. The assessment indicated that the Company’s risk management proposal for handling deposit and loan businesses with CGN Finance aimed to meet its business development and risk management requirements and there are no significantly unreasonable matters.
- (4) If there is a default where deposits placed with CGN Finance cannot be withdrawn, the Group is entitled to offset those deposits that cannot be withdrawn with loans provided by CGN Finance.

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- (5) CGN Finance shall provide the Group with sufficient information (including copies of all regulatory reports submitted by CGN Finance to the NFRA) upon request and the Group will cross check the maximum daily balance of the deposits to ensure that the relevant amounts do not exceed the applicable annual caps. If the actual balance exceeds the maximum daily balance of deposits and prevailing interest from time to time, the Group will promptly transfer the excess funds to its designated bank accounts with independent commercial banks. Since the commencement of deposit, loan, and other financial services with CGN Finance, the Company has required CGN Finance to provide monthly financial service management reports, which include the status of the approved annual caps. Furthermore, the Company's department responsible for management of connected transactions conducts quarterly evaluations, while treasury management personnel perform ad-hoc spot checks. When the daily maximum balance reaches 80% of the approved annual cap, the monitoring system will promptly notify the department responsible for management of connected transactions through email.
- (6) The Group will engage auditors to review the connected transactions between the Group and CGN Group to ensure that the transactions contemplated under the 2027-2029 Financial Services Framework Agreement will be conducted in accordance with the Listing Rules and fulfill the relevant disclosure requirements.

Information on the Parties

The Group

The Group mainly constructs, operates and manages nuclear power stations, sells electricity generated by these stations, and organizes and develops the design and research & development of nuclear power stations.

CGN

Established on September 29, 1994, CGN is a large clean energy enterprise under supervision of the State-owned Assets Supervision and Administration Commission of the State Council of the People's Republic of China. CGN Group is principally engaged in the generation and sale of power, and the construction, operation and management of nuclear and non-nuclear clean projects. As at the Latest Practicable Date, CGN is the Controlling Shareholder of the Company.

CGN Finance

CGN Finance is a limited liability company established in the PRC on July 22, 1997. The equity interest of CGN Finance is owned as to 66.66% by CGN, 30% by China Nuclear Power Engineering Co., Ltd. (a wholly-owned subsidiary of the Company) and 3.34% by CGN Services Group Co., Ltd. (a wholly-owned subsidiary of CGN).

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CGN Finance has been approved by the relevant authorities in the PRC to carry out the following financial services: (i) accepting deposits from members of the group; (ii) granting loans to members of the group; (iii) handling bill discounting for members of the group; (iv) conducting fund settlement and payment for members of the group; (v) providing entrusted loans, bond underwriting, non-financing guarantees, financial advisory services, credit verification, and consulting agency services to members of the group; (vi) engaging in interbank lending; (vii) handling bill acceptance for members of the group; (viii) providing buyer's credit for products of members of the group; (ix) investing in fixed-income marketable securities; (x) engaging in hedging derivative transactions; and (xi) making equity investments in financial institutions. (Items requiring approval by law must be carried out only after obtaining approval from the relevant authorities, and the specific business scope shall be subject to the approval documents or licenses issued by the relevant authorities.)

Board's Approval

In this regard, the Company convened a Board meeting on March 25, 2026. Mr. Yang Changli, Mr. Pang Songtao and Ms. Li Li, the Directors who are considered to have conflict of interests in the above transactions contemplated thereunder the Continuing Connected Transactions, have abstained from voting on the resolutions in relation to the Continuing Connected Transactions. The Board has considered and approved the resolutions in relation to the Continuing Connected Transactions.

The Directors (including the independent non-executive Directors) are of the view that the 2027-2029 Financial Services Framework Agreement (including the proposed annual caps thereto) and all related matters thereof are fair and reasonable, on normal commercial terms and in the interests of the Group and the Shareholders as a whole. The resolutions in relation to the 2027-2029 Financial Services Framework Agreement, all transactions contemplated thereunder, and the annual caps as set out above will be submitted to the 2025 AGM for the Independent Shareholders' consideration and approval.

Independent Board Committee

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders as to whether the 2027-2029 Financial Services Framework Agreement (including the proposed annual caps thereto) is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Independent Financial Adviser

Gram Capital Limited has been appointed by the Company as the Independent Financial Adviser of the Company to advise the Independent Board Committee and the Independent Shareholders as to whether the deposit services and loan services under the 2027-2029 Financial Services Framework Agreement and the proposed annual caps thereto are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Connected Persons who are Required to Abstain from Voting

CGN Group is considered to have material interests in the 2027-2029 Financial Services Framework Agreement. In accordance with Rule 14A.36 of the Listing Rules, any connected person who has material interests in such connected transactions must abstain from voting on the relevant resolutions at the general meeting. CGN holds 29,736,876,375 Shares in the Company, representing approximately 58.89% of the total issued Shares of the Company, and shall abstain from voting on the 2027-2029 Financial Services Framework Agreement at the 2025 AGM. As at the Latest Practicable Date, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, there is (i) no shareholding trust or other agreement or arrangement or intention entered into by its ultimate beneficial owners and their respective associates which binding upon them; and (ii) no obligation or entitlement of its ultimate beneficial owners and their respective associates as at the Latest Practicable Date, whereby they have or may have temporarily or permanently passed control over the exercise of the voting rights in respect of its Shares to a third party, either generally or on a case-by-case basis.

As at the Latest Practicable Date, and to the best knowledge, information and belief of the Directors, saved as disclosed in this circular, no Shareholder is required to abstain from voting in respect of other resolutions.

LETTER FROM THE BOARD

IV. SPECIAL RESOLUTIONS

12. To consider and approve the grant of the general mandate to issue Shares

At the AGM, a special resolution will be proposed that the Board be granted the Issue Mandate to exercise the power of the Company to allot, issue or otherwise deal with new Shares (otherwise than pursuant to the issue of shares by conversion of the surplus reserve into the share capital in accordance with the PRC Company Law and the Articles of Association) not more than 20% of the number of A Shares and/or H Shares in issue as of the date of passing this special resolution separately or concurrently during the “relevant period”, to decide on the terms and conditions for allotting, issuing and dealing with new Shares, including but not limited to the followings: (i) class and number of new Shares to be issued; (ii) pricing determination method and/or issue price of new Shares (including the price range); (iii) the target subscribers of the new Shares to be issued; (iv) the use of proceeds; (v) the starting and closing dates for the issue; (vi) class and number of the new shares to be issued to existing Shareholders; and (vii) the making or granting of offers, agreements and options which might require the exercise of such powers.

When exercising the rights under the general mandate to issue Shares, the Company intends to obtain the following authorizations from Shareholders: (i) to make corresponding capital increase in the registered capital of the Company in accordance to relevant laws and regulations, the Articles of Association and other regulations, and make appropriate and necessary amendments to the relevant articles under the Articles of Association; and (ii) to sign necessary documents, complete necessary procedures, and take other necessary actions to complete the allotment, issuance and listing of the new Shares.

The number of H Shares and A Shares of the Company in issue as at the Latest Practicable Date were 11,163,625,000 H Shares and 39,335,148,022 A Shares. Assuming that the number of Shares remains unchanged as at the date of passing this special resolution, the Board will be allowed under the Issue Mandate to issue a maximum of 2,232,725,000 H Shares and 7,867,029,604 A Shares, respectively, subject to the passing of the special resolution approving the grant of the Issue Mandate to the Board. Meanwhile, the Board is authorized to make necessary amendments to the Articles of Association so as to reflect the new share capital structure upon the allotment or issue of additional Shares pursuant to such mandate.

In exercising the general mandate to issue Shares, the Board shall (i) comply with the relevant requirements of the Company Law of the PRC, the relevant requirements of the CSRC and the Hong Kong Stock Exchange (as amended from time to time), and (ii) obtain the approval from the CSRC and other relevant PRC government authorities (if any).

This mandate remains valid during the relevant period. The “relevant period” mentioned above refers to period from the passing of the general mandate to issue Shares after approval by the AGM until the expiry of the earlier of: (i) the conclusion of the next annual general

LETTER FROM THE BOARD

meeting following the passing of this special resolution; (ii) the expiration of 12 months after the passing of this special resolution; or (iii) the date on which the authorization set out in this special resolution is revoked or amended by a special resolution in the general meeting of the Company.

The Directors believe that it is in the best interests of the Company and the Shareholders to grant the Issue Mandate to the Board to issue new Shares. Whilst it is not possible to anticipate in advance any specific circumstances in which the Board might consider appropriate to issue Shares, the ability to do so would give the Directors the flexibility to capture the opportunity if it so arises.

13. To consider and approve the grant of the general mandate to repurchase Shares

A special resolution will be proposed at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting to grant to the Board the mandate to repurchase Shares (including domestic A Shares and/or overseas H Shares) during the "relevant period", to repurchase 10% of the domestic A Shares and/or overseas listed H Shares as at the date of passing this resolution at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting, and to determine the terms and conditions for the repurchase of Shares, and to authorize the Board to make appropriate and necessary amendments to the relevant content the Articles of Association, execute relevant documents and make other essential or necessary arrangements to reflect the actual situation of the capital structure after taking actions pursuant to this mandate and in compliance with the requirements of the relevant regulatory authorities or competent authorities.

As at the Latest Practicable Date, the Company had 11,163,625,000 H Shares in issue and 39,335,148,022 A Shares in issue. Assuming that such number of Shares remains the same as at the date of passing this special resolution, pursuant to the Repurchase Mandate, the Board would be allowed to repurchase a maximum of 1,116,362,500 H Shares and 3,933,514,802 A Shares respectively ("**Repurchasing A Shares and/or H Shares**"), subject to the passing of the special resolution approving the grant of the Repurchase Mandate to the Board.

After the general mandate is approved at the AGM and/or class meetings, the Board may determine the terms and conditions for the repurchase of Shares, including but not limited to the following: (i) purpose of the proposed repurchase of Shares; (ii) the class and number of Shares to be repurchased; (iii) time, price and duration of repurchase of Shares; and (iv) to perform the approval, filing and information disclosure (if any) in relation to the repurchase of Shares.

In exercising the general mandate to repurchase Shares, the Board shall (i) comply with the relevant requirements of the Company Law of the PRC, the relevant requirements of the CSRC and the Hong Kong Stock Exchange (as amended from time to time), and (ii) obtain the approval from the CSRC and other relevant PRC government authorities (if any).

LETTER FROM THE BOARD

This mandate remains valid during the relevant period. The “relevant period” mentioned above refers to period from the passing of the general mandate to repurchase Shares after approval by the AGM, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting until the expiry of the earlier of: (i) the conclusion of the next annual general meeting; (ii) the expiration of 12 months after the passing of this special resolution at the AGM, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting; or (iii) the date on which the general mandate set out in this special resolution is revoked or amended by a special resolution in the Shareholders’ general meeting, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting (the “**Relevant Period**”).

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to grant a general mandate to the Board to repurchase Shares. The Board will act prudently and flexibly in accordance with relevant laws, regulations and regulatory rules and in the best interests of the Company and the Shareholders as a whole.

A special resolution will be proposed by the Board at the AGM, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting to grant to the Directors the A Share or H Share Repurchase Mandate, details of which will be set out in the notice of the AGM and the notice of the H Shareholders’ Class Meeting.

The Appendix II to this circular is an explanatory statement which contains details pursuant to Rule 10.06(1)(b) of the Hong Kong Listing Rules for the purpose of enabling Shareholders to make an informed decision on whether to vote for or against the proposed resolution of the grant of the general mandate to repurchase Shares.

V. THE AGM AND THE H SHAREHOLDERS’ CLASS MEETING

The Company will convene the AGM and H Shareholders’ Class Meeting at 2:30 p.m. on Wednesday, May 20, 2026 at South Tower, CGN Building, No. 2002 Shennan Road, Shenzhen, Guangdong Province, the PRC to consider and, if thought fit, to pass resolutions in respect of the matters set out in the notices of the AGM and the H Shareholders’ Class Meeting. A form of proxy and a reply slip have been published on the Company’s website and the HKEXnews website of the Hong Kong Stock Exchange on April 20, 2026. The notices of the AGM and H Shareholders’ Class Meeting are set out on pages AGM-1 to HCM-3 of this circular.

In accordance with Rule 14A.36 of the Hong Kong Listing Rules, any connected person who has material interests in such transactions must abstain from voting on the relevant resolution at the AGM. As at the Latest Practicable Date, CGN holds 29,736,876,375 Shares in our Company, representing approximately 58.89% of the total issued Shares, and therefore shall abstain from voting on the resolutions on the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps thereto), and the 2027-2029 Financial Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps thereto) at the AGM. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, there is (i) no shareholding trust or other

LETTER FROM THE BOARD

agreement or arrangement or intention entered into by its ultimate beneficial owners and their respective associates which is binding upon them; and (ii) no obligation or entitlement of its ultimate beneficial owners and their respective associates, whereby they have or may have temporarily or permanently passed control over the exercise of the voting rights in respect of its Shares to a third party, either generally or on a case-by-case basis.

Whether or not you are able to attend and/or vote at the AGM and H Shareholders' Class Meeting, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon. If you intend to attend the AGM and/or H Shareholders' Class Meeting (in person or by proxy), you are required to complete and return the accompanying reply slip(s) to the H Share Registrar on or before Wednesday, May 13, 2026.

If you intend to appoint a proxy to attend the AGM and/or the H Shareholders' Class Meeting, you are required to complete and return the accompanying form(s) of proxy in accordance with the instructions printed thereon. For H Shareholders, the form(s) of proxy should be returned to the H Share Registrar in person or by post as soon as possible and in any event not less than 24 hours before the time appointed for holding the AGM and/or H Shareholders' Class Meeting or any adjourned meeting thereof.

Completion and return of the form(s) of proxy will not preclude you from attending and voting in person at the AGM and/or H Shareholders' Class Meeting should you so wish, and completion and return of the reply slip(s) do not affect the right of a Shareholder to attend and vote at the respective meeting.

A Shareholders can vote on-site or by proxy, or through the Internet. For the voting method and registration method of participating in the AGM and/or A Shareholders' Class Meeting, please refer to the relevant announcement of the Company dated April 20, 2026 as published on the website of the Shenzhen Stock Exchange.

VOTING BY POLL AT THE AGM

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, all votes of the Shareholders at the AGM and the H Shareholders' Class Meeting must be taken by poll. The chairmen of the AGM and the H Shareholders' Class Meeting will therefore demand a poll for every resolution put to the vote of the AGM and H Shareholders' Class Meeting pursuant to Article 96 of the Articles of Association.

On a poll, every Shareholder present in person or by proxy (or in the case of a corporation, by its duly authorized representative) at the AGM or the H Shareholders' Class Meeting shall have one vote for each Share registered in his/her name in the register of members. A Shareholder entitled to more than one vote needs not use all his/her votes or cast all the votes he/she has in the same manner.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS AND ELIGIBILITY FOR ATTENDING AND VOTING AT THE AGM AND THE H SHAREHOLDERS' CLASS MEETING

In order to ascertain the entitlements of the Shareholders to attend and vote at the AGM and the H Shareholders' Class Meeting, the register of H Shareholders of the Company will be closed from Thursday, May 14, 2026 to Wednesday, May 20, 2026 (both days inclusive), during which period no transfer of H Shares of the Company will be effected. Shareholders whose names appear on the register of members of the Company on Wednesday, May 20, 2026 (i.e., the record date) will be entitled to attend and vote at the AGM and the H Shareholders' Class Meeting.

To be eligible to attend and vote at the AGM and the H Shareholders' Class Meeting, all transfer documents of H Shares together with relevant share certificates and other appropriate documents shall be sent for registration to the H Share Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong before 4:30 p.m. on Wednesday, May 13, 2026.

VI. RECOMMENDATIONS

The Board (including independent non-executive Directors) considers that resolutions to be proposed at the AGM and the H Shareholders' Class Meeting are in the interests of the Company and the Shareholders as a whole, and accordingly, recommends the Shareholders to vote in favour of all the resolutions to be proposed at the AGM and the H Shareholders' Class Meeting.

VII. ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee to the Independent Shareholders, the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders and the additional information set out in Appendices I to IV to this circular.

By order of the Board
CGN Power Co., Ltd.*
Yin Engang
*Chief Financial Officer, Joint Company
Secretary and Board Secretary*

The PRC, April 20, 2026

* *For identification purpose only*

**LETTER FROM THE INDEPENDENT BOARD COMMITTEE TO
THE INDEPENDENT SHAREHOLDERS**



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)

To Shareholders

Dear Sir or Madam,

**Continuing Connected Transactions – 2027-2029 Nuclear Fuel Supply and Services
Framework Agreement and the Proposed Annual Caps Thereto; and
Major Transactions and Continuing Connected Transactions – 2027-2029 Financial
Services Framework Agreement and the Proposed Annual Caps Thereto**

We have been appointed by the Board as members of the Independent Board Committee to advise the Independent Shareholders as to the fairness and reasonableness of the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement, the nuclear fuel supply and services thereunder and the proposed annual caps thereto, and the 2027-2029 Financial Services Framework Agreement, the deposit services and loan services thereunder and the proposed annual caps thereto, the details of which are set out in the “Letter from the Board” of this circular (the “**Circular**”) of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless otherwise specified.

Gram Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on (a) whether the nuclear fuel supply and services under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the deposit services and loan services under the 2027-2029 Financial Services Framework Agreement are on normal commercial terms; (b) whether the terms and transactions of the nuclear fuel supply and services under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the deposit services and loan services under the 2027-2029 Financial Services Framework Agreement are entered into in the ordinary and usual course of business of the Company, and fair and reasonable so far as the Independent Shareholders are concerned; and (c) whether the entering into of the nuclear fuel supply and services under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the deposit services and loan services under the 2027-2029 Financial Services Framework Agreement is in the interests of the Company and the Shareholders as a whole.

Your attention is drawn to the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders of the Circular issued by Gram Capital Limited, which contains its advice to the Independent Board Committee and the

**LETTER FROM THE INDEPENDENT BOARD COMMITTEE TO
THE INDEPENDENT SHAREHOLDERS**

Independent Shareholders on the nuclear fuel supply and services under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement, the deposit services and loan services under the 2027-2029 Financial Services Framework Agreement and the proposed annual caps thereto during each period (the text of the letter of advice is set out on pages 51 to 77 of the Circular). Having considered the advice of Gram Capital Limited, we are of the view that the terms and conditions of the nuclear fuel supply and services under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the deposit services and loan services under the 2027-2029 Financial Services Framework Agreement are on normal commercial terms, in the ordinary and usual course of business of the Company, fair and reasonable and in the interests of the Company and the Shareholders as a whole, and the proposed annual caps thereto during each period are fair and reasonable. Our view related to fairness and reasonableness is necessarily based on information, facts and circumstances currently prevailing.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions at the AGM to approve the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement, the nuclear fuel supply and services contemplated thereunder, and the proposed annual caps for each of the years ending December 31, 2026, December 31, 2027, December 31, 2028 and December 31, 2029, respectively; the 2027-2029 Financial Services Framework Agreement, the proposed annual caps for the deposit services contemplated thereunder for each of the years ending December 31, 2027, December 31, 2028 and December 31, 2029, respectively, and the proposed annual caps for the loan services contemplated thereunder for each of the years ending December 31, 2026, December 31, 2027, December 31, 2028 and December 31, 2029, respectively.

Yours faithfully,
For and on behalf of
the Independent Board Committee

Wong Ming Fung
Independent
non-executive Director

Li Fuyou
Independent
non-executive Director

Xu Hua
Independent
non-executive Director

April 20, 2026

* *For identification purpose only*

**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT
BOARD COMMITTEE AND THE INDEPENDENT SHAREHOLDERS**

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Transactions for the purpose of inclusion in this circular.



Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

20 April 2026

*To: The independent board committee and the independent shareholders
of CGN Power Co., Ltd.**

Dear Sirs,

**MAJOR TRANSACTION
AND
CONTINUING CONNECTED TRANSACTIONS**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of (i) the transactions contemplated under the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement (the “**Procurement CCT**”) and the proposed annual caps; and (ii) the deposit services (the “**Deposit CCT**”) and loan services (the “**Loan CCT**”, together with the Procurement CCT and the Deposit CCT, the “**Transactions**”) contemplated under the 2027-2029 Financial Services Framework Agreement and the proposed annual caps details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 20 April 2026 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

With reference to the Board Letter, the Company entered into a nuclear fuel supply and services framework agreement with CGN on 21 November 2014. After multiple amendments and renewals, the 2024-2026 Nuclear Fuel Supply and Services Framework Agreement currently in effect has a term until 31 December 2026. The Company also entered into a financial services framework agreement with CGN on 21 November 2014. After multiple renewals, the 2024-2026 Financial Services Framework Agreement currently in effect has a term until 31 December 2026.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT SHAREHOLDERS

As a continuation of the above agreements, on 25 March 2026 (the “**Agreement Date**”) the Company entered into:

- (a) the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement with CGN, pursuant to which, CGN Group will provide the following to the Group: (i) natural uranium supply and services (agent purchasing and direct supply); (ii) nuclear fuel general contracting services; (iii) spent fuel storage and transportation services; and (iv) other nuclear fuel supply and services; and
- (b) the 2027-2029 Financial Services Framework Agreement with CGN, pursuant to which, CGN Group will provide financial services to the Group, including but not limited to financial services such as depository, loans, entrustment loans, annum-based and project based financial consulting services, settlement services, insurance services and financial leasing services.

With reference to the Board Letter:

- (i) the Procurement CCT constitutes non-exempt continuing connected transactions of the Company, and are subject to the reporting, announcement, annual review, and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules; and
- (ii) the Deposit CCT and Loan CCT constitute non-exempt continuing connected transactions of the Company and are subject to reporting, announcement, annual review and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules. The Deposit CCT also constitutes major transaction of the Company.

The Independent Board Committee comprising Mr. Wong Ming Fung, Mr. Li Fuyou and Ms. Xu Hua (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Transactions are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; (ii) whether the Transactions are in the interests of the Company and the Shareholders as a whole and are conducted in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolutions to approve the Transactions at the 2025 AGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

We were not aware of (i) any relationships or interests between Gram Capital and the Company; or (ii) any services provided by Gram Capital to the Company relating to any transaction of the Company with executed agreement, during the past two years immediately preceding the Latest Practicable Date, or any other parties that could be reasonably regarded as hindrance to Gram Capital’s independence to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders.

**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT
BOARD COMMITTEE AND THE INDEPENDENT SHAREHOLDERS**

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Company's management (the "**Management**"). We have assumed that all information and representations that have been provided by the Management, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Management's representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Transactions. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, CGN, CGN Finance or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Transactions. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT
BOARD COMMITTEE AND THE INDEPENDENT SHAREHOLDERS**

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Transactions, we have taken into consideration the following principal factors and reasons:

Information on the Group

With reference to the Board Letter, the Group mainly constructs, operates and manages nuclear power stations, sells electricity generated by these stations, and organizes and develops the design and research & development of nuclear power stations.

Set out below is the audited consolidated financial information of the Company for the two years ended 31 December 2025 as extracted from the Company’s annual report for the year ended 31 December 2025 (the “**2025 Annual Report**”):

	For the year ended 31 December 2025 RMB	For the year ended 31 December 2024 RMB (restated)	Change from 2024 to 2025 %
Operating revenue	75,696,558,973.53	78,944,669,623.05	(4.11)
– Sales of electricity	61,757,114,162.94	65,932,311,940.69	(6.33)
– Construction, installation and design services	11,341,026,494.18	10,838,605,511.19	4.64
– Rendering of services	1,429,207,611.82	1,329,358,815.24	7.51
– Sales of goods and others	951,644,082.51	656,195,902.36	45.02
– Others	217,566,622.08	188,197,453.57	15.61
Operating profit	18,425,445,604.18	22,005,349,085.23	(16.27)
Net profit	14,731,144,165.00	17,468,130,646.66	(15.67)

As illustrated by the above table, the Group’s operating revenue for the year ended 31 December 2025 (“**FY2025**”) decreased by approximately 4.11% as compared to that for the year ended 31 December 2024 (“**FY2024**”). With reference to the 2025 Annual Report, such decrease was mainly due to decrease in revenue from sales of electricity caused by year-on-year decrease in the market-based transaction tariffs.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT SHAREHOLDERS

The Group's operating profit for FY2025 decreased by approximately 16.27% as compared to that for FY2024. Such decrease was mainly due to the aforesaid decrease in operating revenue and increase in operating costs, as partially offset by decrease of research and development expenses and finance costs. Along with the decrease in the Group's operating profit, the Group's net profit also decreased by approximately 15.67% as compared to that for FY2024.

With reference to the 2025 Annual Report:

- (i) In view of the national strategy of pursuing carbon peaking and carbon neutrality and China's 2035 nationally determined contributions targets, the development of the nuclear power industry is still in an important strategic opportunity period. The Group's development and operation are subject to a lot of new requirements and new changes. The Group will adhere to the nuclear safety culture of honesty and transparency and the basic principles of "Safety First, Quality Foremost, Pursuit of Excellence" to explore new ideas, actively plan and respond.
- (ii) Anchored in the vision of becoming a globally competitive world-class nuclear power supplier and service provider the Company will focus on raising standards in safety, quality and environmental performance; advancing the development and construction of nuclear power projects and integrated nuclear energy application projects; deepening lean operations; and fostering and expanding new quality productive forces. Through these efforts, the Group aims to strengthen its foundation, improve quality and efficiency, and pursue innovation-driven growth, ensuring a robust start to the "15th Five-Year Plan" period.

Information on CGN

With reference to the Board Letter, CGN is a large clean energy enterprise under supervision of the State-owned Assets Supervision and Administration Commission of the State Council of the PRC. CGN Group is principally engaged in the generation and sale of power, and the construction, operation and management of nuclear and non-nuclear clean projects. As at the Latest Practicable Date, CGN is the Controlling Shareholder.

Information on CGN Finance

With reference to the Board Letter:

- CGN Finance has been approved by the relevant authorities in the PRC to carry out the following financial services: (i) accepting deposits from members of the group; (ii) granting loans to members of the group; (iii) handling bill discounting for members of the group; (iv) conducting fund settlement and payment for members of the group; (v) providing entrusted loans, bond underwriting, non-financing guarantees, financial advisory services, credit verification, and consulting agency

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT SHAREHOLDERS

services to members of the group; (vi) engaging in interbank lending; (vii) handling bill acceptance for members of the group; (viii) providing buyer's credit for products of members of the group; (ix) investing in fixed-income marketable securities; (x) engaging in hedging derivative transactions; and (xi) making equity investments in financial institutions. (Items requiring approval by law must be carried out only after obtaining approval from the relevant authorities, and the specific business scope shall be subject to the approval documents or licenses issued by the relevant authorities.)

- The equity interest of CGN Finance is owned as to 66.66% by CGN, 30% by CGN Engineering (a wholly-owned subsidiary of the Company) and 3.34% by CGN Services Group Co., Ltd. (a wholly-owned subsidiary of CGN). CGN Finance is a connected person of the Company.

I. PROCUREMENT CCT

Reasons for and benefits of the Procurement CCT

With reference to the Board Letter:

- The continuous supply of nuclear fuel is essential to the operation of nuclear power plants. Nuclear fuel is subject to regulation on a global scale, and the nuclear fuel industry is strictly regulated across all countries in the world. China is one of the signatories to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), thus it is supervised by the International Atomic Energy Agency (IAEA), and must meet the relevant requirements of the NPT. The PRC government places strict controls on the nuclear fuel industry. According to the PRC government's regulation policy on the nuclear fuel industry, only enterprises that have obtained a state license can engage in the procurement of overseas uranium products, while all other enterprises are not allowed to directly purchase natural uranium and nuclear fuel assemblies from overseas suppliers. At present, CGN Uranium, China Nuclear Energy Industry Co., Ltd. and State Nuclear Power Uranium Resources Development Co., Ltd. are the only domestic entities that have the exclusive qualifications for the import and export of uranium products. Only these three companies in China are able to carry out business related to the import and export of uranium products. The procurement of the abovementioned services by the Company from CGN Uranium is in line with the industry practice in China.
- The business cooperation between CGN Group and the Group in respect of the nuclear fuel supply and services commenced in 2006. As both parties have maintained a long-term and stable business relationship, CGN Group is familiar with the operation of the Group. The continual procurement of services from CGN Group can ensure the stable supply of nuclear fuel supply and services. The nuclear power

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plants under the Group entered into and implemented long-term nuclear fuel procurement and supply services agreements with CGN Uranium, and the nuclear power projects of the Group can obtain long-term and stable nuclear fuel supply at reasonable prices.

With reference to the 2025 Annual Report, sales of electricity (generated from nuclear power plants) accounted for approximately 81.59% of the Group's operating revenue for FY2025.

Having considered the above, we are of the view that the Procurement CCT is conducted in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

Principle terms of the Procurement CCT

Summarised below are the principal terms of Procurement CCT, details of which are set out under the Board Letter.

Date of agreement

25 March 2026

Parties

1. The Company
2. CGN

Term

1 January 2027 to 31 December 2029

Subject matter

Pursuant to the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement, CGN Group will provide the following to the Group: (i) natural uranium supply and services (agent purchasing and direct supply); (ii) nuclear fuel general contracting services; (iii) spent fuel storage and transportation services; and (iv) other nuclear fuel supply and services.

Pricing policy

With reference to the Board Letter, three guiding principles of pricing, namely "government-prescribed price and government-guided price", "market price" and "agreed price" shall apply to the Procurement CCT. In addition to such guiding principles of pricing,

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as the Company directly purchases nuclear fuel assemblies from CGN, after arm's length negotiations between the Company and CGN, the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement stipulates that:

- (1) The pricing of various nuclear fuel related services included in the nuclear fuel assembly is as follows:
 - (i) Natural uranium: a pricing mechanism that combines a fixed price and a price linked to market indexes. The fixed price is mainly composed of a basic price and a floating price. Among them, the basic price is mainly determined according to the production cost or procurement cost of CGN Uranium, while the floating price is mainly determined by adding a certain mark-up amount over the basic price according to the expected inflation rate every year, typically ranging from 2.2% to 3.5% per annum. The price linked to market indexes is mainly determined based on the natural uranium price indexes regularly published by two international nuclear power industry consulting companies, namely UxC and/or TradeTech. The pricing mechanism that combines the fixed price and the price linked to market indexes can not only ensure the stable supply of natural uranium, but can also give an additional advantage to cost adjustment by virtue of market flexibility; and
 - (ii) Conversion, enrichment, assembly processing and others: CGN Uranium purchases conversion, enrichment and other services from multiple suppliers at home and abroad to ensure its supply of fuel processing services. The specific pricing method is composed of:
 - Pricing basis: Pursuant to the relevant policy requirements (such as nuclear fuel processing) in China; with reference to the characteristics of international and domestic nuclear fuel markets; with an aim to meet the needs for fuel supply of the nuclear power plants of the Group in terms of safety, economic efficiency and reliability;
 - International market conditions: Based on the current and future supply and demand expectations in the international market, consideration is made while taking the fuel market indexes announced and projected by international market consulting agencies (UxC and TradeTech) as reference; and
 - Domestic price levels: Consideration is made according to the characteristics and cost levels of the domestic market.

The above fees stated in (i) and (ii) cover the direct costs of natural uranium, conversion, enrichment, assembly processing and others, as well as the indirect costs of assembly processing supervision, technical support, inventory, management costs and etc., involved in the supply of nuclear fuel assemblies.

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- (2) Spent fuel storage and transportation services: mainly comprise services for the transportation of radioactive materials. Suppliers with qualifications for the transportation of radioactive materials are limited in China, and most of which are competitors of CGN Group. For such business, the Group usually conducts price consultation on the suppliers that meet the qualification requirements first. If two or more suppliers are willing to provide price quotations, the Group determines the suppliers by comparing their quotations. In case that no supplier is willing to provide price quotation due to competition, the Group negotiates with CGN Group to determine the price with reference to the survey prices. Such survey prices are obtained by the Company by conducting price consultation on other storage and transportation services suppliers in the market which do not meet the specific qualification requirements; and
- (3) Other nuclear fuel supply and services: mainly comprise test samples of nuclear fuel assemblies and related services required by the Group to carry out research & development relating to nuclear fuel assemblies. For those with historical records of purchasing similar test samples from Independent Third Parties, the purchase price shall be determined with reference to the historical purchase prices, the characteristics of the items to be purchased, and the increase in materials and labor costs. For services without historical records of purchasing similar test samples from Independent Third Parties, the purchase price shall be determined on a cost-plus basis. In determining the price, the Company will make reference to historical procurement records of similar items or services (where applicable) to verify the composition of procurement costs. The profit margin applied by the relevant connected persons will be determined having regard to prevailing market standards. In particular, the Company will ensure that the relevant profit margins are not less favourable than the “Good” benchmark for cost-plus profit margins or operating margins of large-scale state-owned enterprises as set out in the Enterprise Performance Evaluation Standard Values published by the SASAC from time to time.

For our due diligence purpose, we obtained from the Company lists of historical Procurement CCT for FY2024, FY2025 and the two months ended 28 February 2026 (“2M2026”). From the aforesaid lists, we randomly selected a transaction record (from less than 10 records in each list) relating to nuclear fuel supply and a transaction record (from less than 20 records in each list) relating to other services for each of FY2024, FY2025 and 2M2026 (six transaction records selected in total). We consider the random sampling basis could facilitate an objective assessment and the sample size (with the aforementioned populations) to be sufficient from the Independent Financial Adviser’s perspective.

In respect of each transaction record relating to nuclear fuel supply, the Company provided us with corresponding transaction documents (including contract and invoices) and pricing records which demonstrated that the pricing of such transactions complied with pricing policy (1) above (in particular, with pricing mechanism that combined a fixed price and a price linked to market indexes (i.e. from UxC and TradeTech)).

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In respect of each transaction record relating to other services, the Company provided us with corresponding transaction documents (including contracts and invoices) and quotation from/reference records of comparable transaction with independent third party which demonstrated that the pricing of such transactions complied with pricing policies (2) or (3) above (in particular, comparison with quotation from/reference records of comparable transaction with independent third party). Nothing from the aforesaid documents had come to our attention that caused us to believe that the transactions under the selected transaction records did not comply with the relevant pricing policies as set out above.

With reference to the 2025 Annual Report, the independent non-executive Directors of the Company have examined the specific implementation of the Group's continuing connected transactions (including the historical Procurement CCT) for FY2025, and confirmed that: (i) the transactions were entered into in the ordinary and usual course of business of the Company; (ii) the transactions were carried out on normal commercial terms or more favorable terms; (iii) the transactions were carried out in accordance with the framework agreements in respect thereof, the terms of which were fair and reasonable and in the interest of the Shareholders as a whole; and (iv) the Company has formulated appropriate and effective internal control procedures with sound operation (the "**INED Confirmation**"). The Company also engaged an external auditor to review the Group's continuing connected transactions (including the historical Procurement CCT) for FY2025 to ensure that the transactions carried out under the framework agreements would be in compliance with the requirements under the Listing Rules. The auditor issued an unqualified letter in respect of the aforesaid continuing connected transactions in accordance with Rule 14A.56 of the Listing Rules, which stated that, amongst others, (i) nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Board; (ii) nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions were not entered into, in all material respects, in accordance with the relevant framework agreements governing such transactions; and (iii) with respect to the aggregate amount of the continuing connected transactions, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have exceeded the annual cap as set by the Company (the "**Auditor's Report**").

With reference to the Board Letter, the Company has established a series of internal control measures (the "**IC Measures**"), including formulating the "Management Rules on Connected Transactions of CGN Power Co., Ltd.", "Management Procedures on Connected Transactions of CGN Power Co., Ltd." and a connected transaction management system to standardize and stipulate the pricing policies and mechanism, the assignment of responsibility and decision making authority to ensure the Continuing Connected Transactions are conducted in accordance with their respective framework agreements, and that the pricing policies will be strictly complied with. Details of the IC Measures in respect of the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement were set out under the sub-section headed "Risk control measures" under the section headed "10. To consider and approve the continuing connected transactions – 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the proposed annual caps thereto" of the Board Letter. Having considered our sampling

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assessment as set out above, the INED Confirmation, the Auditor’s Report and that the annual caps of the Procurement CCT for the three years ended 31 December 2025 were not exceeded, we do not doubt the effectiveness of the IC Measures in respect of the pricing and annual caps monitoring for the Procurement CCT.

Annual caps for the Procurement CCT

The table below set out (i) the fees paid/payable by the Group to CGN Group in respect of nuclear fuel supply and services for the three years ended 31 December 2025 and the period from 1 January 2026 to the Agreement Date, with corresponding annual caps (the “**Procurement Cap(s)**”); and (ii) proposed Procurement Caps for the four years ending 31 December 2029:

	For the year ended 31 December 2023 (“FY2023”) RMB100 million	For the year ended 31 December 2024 RMB100 million	For the year ended 31 December 2025 RMB100 million	For the period from 1 January 2026 to the Agreement Date RMB100 million
Total fees paid/payable by the Group to CGN Group	96.23	83.29	98.93	7.44
Historical/existing Procurement Caps	114.57	119.60	162.90	159.70 (Note)
Utilisation rates	84%	70%	61%	Undetermined

Note: The existing Procurement Cap for the year ending 31 December 2026.

	For the year ending 31 December 2026 (“FY2026”) RMB100 million	For the year ending 31 December 2027 (“FY2027”) RMB100 million	For the year ending 31 December 2028 (“FY2028”) RMB100 million	For the year ending 31 December 2029 (“FY2029”) RMB100 million
Proposed Procurement Caps	180.00	209.00	239.00	280.00

As depicted from the above table, the utilisation rate of the historical Procurement Cap for FY2025 was relatively low as compared to those for the two years ended 31 December 2024. As advised by the Management, such relatively low utilisation rate was mainly due to delay in operation commencement of two nuclear power generating units of the Group which caused delay in initial nuclear fueling.

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With reference to the Board Letter, in determining the proposed Procurement Caps, following factors were considered:

- (i) the historical transaction amounts for nuclear fuel supply and services provided by CGN Group to the Group;
- (ii) the refuelling outage plan of the nuclear power generating units in operation and the commissioning plan of the nuclear power generating units under construction of the Group (the “**Refuelling Outage & Commissioning Plans**”), for example, Huizhou Unit 1 and Unit 2 and Lufeng Unit 5 will be put into commercial operation in the coming two years;
- (iii) the expected increase in demand for nuclear fuel supply and services due to business expansion. For example, based on an undertaking made by CGN, upon the fulfillment of specific conditions, the retained nuclear power business owned by CGN in the PRC will be transferred to the Company;
- (iv) the value of existing contracts for the procurement of nuclear fuel supply and services, together with the relevant delivery dates for nuclear fuel supply and services under such contracts; and
- (v) the expected increase in the costs of manufacturing, importing and transportation of nuclear fuel assemblies due to inflation and market changes.

For our due diligence purpose, we obtained the calculation of the proposed Procurement Caps from the Company (the “**Procurement Caps Calculation**”).

Based on the Procurement Caps Calculation:

- (i) The proposed Procurement Cap for each of the four years ending 31 December 2029 was derived from the estimated transaction amount to be incurred by each of the Group’s business units, after rounding up.
- (ii) The estimated total transaction amount relating to nuclear fuel supply for each of the four years ending 31 December 2029 represents approximately 98% to 99% of the corresponding proposed Procurement Cap.
- (iii) The estimated total transaction amount relating to other procurements for each of the four years ending 31 December 2029 represents approximately 0.5% to 1% of the corresponding proposed Procurement Cap.

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Estimated total transaction amount relating to nuclear fuel supply

As advised by the Management, the estimated total transaction amount relating to nuclear fuel supply for each of the four years ending 31 December 2029 was based on the Refuelling Outage & Commissioning Plans, the estimated quantity demand of nuclear fuel under the Refuelling Outage & Commissioning Plans and estimated prices of nuclear fuel.

For our due diligence purpose, we obtained the aforesaid estimations and noted that:

- (i) The estimated quantity demand of nuclear fuel under the Refuelling Outage & Commissioning Plans was based on historical demand of relevant nuclear power generating units.

The Refuelling Outage & Commissioning Plans cover 28 existing nuclear power generating units and 9 new nuclear power generating units that are expected to commence commissioning/operation during the four years ending 31 December 2029.

Based on our discussion with the Management, the number of new nuclear power generating units covered by the Refuelling Outage & Commissioning Plans is consistent with the progress of construction for nuclear power generating units as set out under the Company's announcement dated 9 April 2026.

Based on the information provided by the Company, the estimated quantity demand of existing nuclear power generating units is consistent with their historical demand.

Based on the information provided by the Company, the estimated quantity demand of new nuclear power generating units are based on historical demand of existing nuclear power generating units with similar capacity.

- (ii) The estimated prices of nuclear fuel are based on existing procurement contracts and the pricing formula therein. For our due diligence purpose, we obtained from the Company copies of relevant procurement contracts and pricing estimations (with market indexes reference from UxC and TradeTech).

Estimated total transaction amount relating to other procurements

As advised by the Management, the estimated total transaction amount relating to other procurements for each of the four years ending 31 December 2029 was based on the estimated demand of the Group's business units, part of which was based on existing procurement contracts.

For our due diligence purpose, we obtained from the Company copies of certain existing procurement contracts which substantiate the estimated transaction amount of certain business units of the Group.

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Having considered the above, we are of the view that the proposed Procurement Caps for the four years ending 31 December 2029 are fair and reasonable.

Shareholders should note that as the proposed Procurement Caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2029, and they do not represent forecasts of costs to be incurred from the Procurement CCT. Consequently, we express no opinion as to how closely the actual costs to be incurred from the Procurement CCT will correspond with the proposed Procurement Caps.

In light of the above, we are of the view that the terms of the Procurement CCT (including the proposed Procurement Caps for the four years ending 31 December 2029) are on normal commercial terms and are fair and reasonable.

II. DEPOSIT CCT AND LOAN CCT

Reasons for and benefits of transactions

With reference to the Board Letter:

- (i) The Group is expected to benefit from CGN Group's familiarity of the Group's industry and operations. Through years of cooperation, Financial Service Providers under CGN have become familiar with the Group's capital structure, business operations, funding needs, cash flow pattern, cash management and the overall financial administrative system of the Group, which enable them to render more expedient, efficient and flexible services to the Group than the big four commercial banks and independent financial institutions in the PRC.
- (ii) The Financial Service Providers under CGN are able to provide loans to the Group on a fast-track basis with simplified and streamlined approval, drawdown and repayment procedures. When the Group needs to conduct any urgent business and operating activities, the Financial Service Providers under CGN are well positioned to provide the Group with short-term funding support in a timely and efficient manner. Moreover, the interest rates applicable to the loans provided by the Financial Service Providers under CGN to us are no less favorable than those available from the big four commercial banks or independent financial institutions.
- (iii) Pursuant to the General Provisions of Loans (《貸款通則》) issued by the PBOC and with the supervision of the NFRA, loans can only be provided by authorized institutions with relevant operational permits and licenses and as approved and supervised by the relevant PRC authorities. Historically, the Group had been engaging the Financial Service Providers under CGN to provide entrustment loan services to the Group on terms no less favorable than those available from the big four commercial banks or independent financial institutions.

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- (iv) The 2027-2029 Financial Services Framework Agreement does not prevent the Group from using services provided by other commercial banks or independent financial institutions in the PRC. The Group retains discretion to make its selection according to its business needs as well as the fees and quality of such services. The Group may (but is not obliged to) utilize the financial services provided by the Financial Service Providers under CGN to deploy and manage its financial resources flexibly and efficiently. The procurement of financial services provided by the Financial Service Providers under CGN is carried out in the Group's ordinary and usual course of business.
- (v) In terms of financing, CGN Group is highly professional and maintains sound cooperation with various banking institutions, which is conducive to striving for better financing terms.

Having considered the above, we are of the view that the Deposit CCT and the Loan CCT are conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole.

Principle terms of the Deposit CCT and the Loan CCT

Summarised below are the principal terms of the Deposit CCT and the Loan CCT, details of which are set out under the Board Letter.

Date of agreement

25 March 2026

Parties

1. The Company
2. CGN

Term

1 January 2027 to 31 December 2029

Subject matter

Pursuant to the 2027-2029 Financial Services Framework Agreement, CGN Group will provide financial services to the Group, including but not limited to financial services such as depository, loans, entrustment loans, annum-based and project based financial consulting services, settlement services, insurance services and financial leasing services.

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Pricing policy

With reference to the Board Letter, three guiding principles of pricing, namely “government-prescribed price and government-guided price”, “market price” and “agreed price” shall apply to the related services contemplated under the 2027-2029 Financial Services Framework Agreement (including the Deposit CCT and the Loan CCT). In addition to such guiding principles of pricing, after arm’s length negotiations between the Company and CGN, pursuant to the 2027-2029 Financial Services Framework Agreement, the financial services (including the Deposit CCT and the Loan CCT) shall be provided in accordance with, among others, the following pricing principles:

- (a) The interest rate of the deposits placed by the Group with the Financial Service Providers under CGN will not be lower than (i) the interest rate for deposits of a similar type for the same period placed by other subsidiaries of CGN Group; and (ii) the interest rate for deposits of a similar type for the same period offered by the big four commercial banks to the Group.
- (b) CGN Group provides loans to the Group through the Financial Service Providers under CGN and the interest rate of loans provided by the Financial Service Providers under CGN to the Group shall be determined in accordance with the following conditions: (i) normal commercial terms with no security over the assets of the Group charged in respect of the loans; (ii) no less favorable than the comparable loan interest rates offered to the Group by independent commercial banks or financial institutions; and (iii) no less favorable than the comparable loan interest rates provided by CGN Group to other subsidiaries of CGN through the Financial Service Providers under CGN.

For our due diligence purpose in respect of the Deposit CCT, we obtained from the Company lists of deposit balances regarding the deposits placed by members of the Group with the Financial Service Providers under CGN as at 31 December 2024, as at 31 December 2025 and as at 28 February 2026. We randomly selected a deposit balance (from less than 100 deposit balances) from the aforesaid list as at 31 December 2024, as at 31 December 2025 and as at 28 February 2026 (three deposit balances selected in total). We consider the random sampling basis could facilitate an objective assessment and the sample size (with the aforementioned population) to be sufficient from the Independent Financial Adviser’s perspective.

For each selected deposit balance, the Company provided us with (i) a deposit record regarding deposit placed by the member of the Group with the Financial Service Providers under CGN during the relevant period, which set out the applicable interest rate; and (ii) comparison among such applicable interest rate and the interest rates offered by independent major commercial banks in the PRC (for the same tenor and type of deposit) for the relevant period. We noted from the aforesaid documents that the interest rates offered by the Financial Service Providers under CGN were not less than those offered by independent major commercial banks in the PRC, hence, complied with the interest rate determination principle as set out above.

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For our due diligence purpose in respect of the Loan CCT, we obtained from the Company lists of loans of the Group obtained from the Financial Service Providers under CGN for FY2024, FY2025 and 2M2026. We randomly selected a loan (from less than 100 loans) from the aforesaid list for each of FY2024, FY2025 and 2M2026 (three loans selected in total). We consider the random sampling basis could facilitate an objective assessment and the sample size (with the aforementioned population) to be sufficient from the Independent Financial Adviser's perspective.

For each selected loan, the Company provided us with (i) loan documents (including loan agreement, drawdown notices and/or interest rate record) regarding the selected loan which set out the applicable interest rate; and (ii) loan documents (including loan agreement, drawdown notices and/or interest rate record) regarding a comparable loan (with similar tenor and/or nature) obtained from independent third party which set out the applicable interest rate. We noted from the aforesaid documents that the interest rates offered by the Financial Service Providers under CGN were not higher than those offered by independent third parties, hence, complied with the interest rate determination principle as set out above.

With reference to the 2025 Annual Report, the independent non-executive Directors of the Company have examined the specific implementation of the Group's continuing connected transactions (including the historical Deposit CCT and the historical Loan CCT) for FY2025, and provide the INED Confirmation. The Company also engaged an external auditor to review the Group's continuing connected transactions (including the historical Deposit CCT and the historical Loan CCT) for FY2025 to ensure that the transactions carried out under the framework agreements would be in compliance with the requirements under the Listing Rules. The auditor issued the Auditor's Report in this regard.

With reference to the Board Letter, the Company has established the IC Measures. Details of the IC Measures in respect of the 2027-2029 Financial Services Framework Agreement were set out under the sub-section headed "Risk control measures" under the section headed "11. To consider and approve the major transactions and continuing connected transactions – 2027-2029 Financial Services Framework Agreement and the proposed annual caps thereto" of the Board Letter. Having considered our sampling assessments as set out above, the INED Confirmation, the Auditor's Report and that the annual caps of the Deposit CCT and the Loan CCT for the three years ended 31 December 2025 were not exceeded, we do not doubt the effectiveness of the IC Measures in respect of interest rates determination and annual caps monitoring for the Deposit CCT and the Loan CCT.

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Annual caps for the Deposit CCT

The table below set out (i) the maximum daily balance of deposits and interest income of the deposits placed by the Group with CGN Group (the “**Maximum Deposit Balance**”) for the three years ended 31 December 2025 and the period from 1 January to the Agreement Date, with corresponding annual caps (the “**Deposit Cap(s)**”); and (ii) proposed Deposit Caps for the three years ending 31 December 2029:

	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ended 31 December 2025	For the period from 1 January to the Agreement Date
	<i>RMB100 million</i>	<i>RMB100 million</i>	<i>RMB100 million</i>	<i>RMB100 million</i>
Maximum Deposit Balance	197.26	223.95	300.17	237.07
Historical/existing Deposit Caps	350.00	365.00	390.00	445.00 (Note)
Utilisation rates	56%	61%	77%	Undetermined

Note: The existing Deposit Cap for FY2026.

	For the year ending 31 December 2027	For the year ending 31 December 2028	For the year ending 31 December 2029
	<i>RMB100 million</i>	<i>RMB100 million</i>	<i>RMB100 million</i>
Proposed Deposit Caps	457.00	482.00	508.00

As depicted from the above table, the Maximum Deposit Balance increased by (i) approximately 14% from FY2023 to FY2024; and (ii) approximately 34% from FY2024 to FY2025. The utilisation rate of historical Deposit Cap also increased from approximately 56% for FY2023 to approximately 77% for FY2025. As advised by the Management, such increases were mainly due to (i) increase in the Group’s operating revenue (in particular, from sale of electricity and construction, installation and design services) from FY2023 to FY2024; and (ii) capital reserve prepared for acquisitions conducted in FY2025.

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With reference to the Board Letter, in determining the proposed Deposit Caps for the three years ending 31 December 2029, the Company considered:

- (a) (i) the maximum daily balance of cash and cash equivalent of the Group for the FY2025 together with interest income; (ii) the operating cash flow requirements and financial needs of the Group for its operations and future business expansion; and (iii) the expected increase in interest income by placing deposits with CGN Finance (including but not limited to the increase in the revenue from sales of electricity after the acquisition of the retained nuclear power business of CGN Group) on the basis that CGN Finance is under the supervision of the NFRA and it has been maintaining satisfactory operating results and financial position with good risk control and well-regulated management in order to reduce the potential risks.
- (b) The impact of refuelling outage of the existing nuclear power generating units on the revenue from electricity sales in each year from 2027 to 2029. Such revenue projection is based on the estimated electricity to be sold by each nuclear power generating unit with reference to the historical on-grid power generation in 2025 and the time taken for refuelling outage in 2025, and the estimated price of the electricity to be sold by each nuclear power generating unit with reference to the tariff in 2025.
- (c) The revenue from electricity sales from the nuclear power generating units which are expected to commence operation from 2027 to 2029, based on the estimated electricity to be sold by each nuclear power generating unit with reference to the construction progress of each nuclear power generating unit, and the average tariff of the Group in 2025.
- (d) The revenue to be generated from the existing major contracts of engineering services for the period from 2027 to 2029 based on the amount of the signed contracts or similar contracts and the settlement arrangements.

For our due diligence purpose, we obtained the calculation of the proposed Deposit Caps from the Company (the “**Deposit Caps Calculation**”).

Based on the Deposit Caps Calculation:

- (i) The proposed Deposit Cap of RMB45.7 billion for FY2027 was formulated based on (a) the existing Deposit Cap of RMB44.5 billion for FY2026; and (b) expected net increase of RMB1.2 billion caused by the following factors:
 - Increase of RMB1.0 billion caused by expected commencement of operation of two nuclear power generating units which will increase (i) the Group’s revenue from electricity sales; and (ii) financing requirements for such nuclear power generating units (certain amount of loan financing obtained will be deposited before utilisation). According to our discussion with the Management, such estimation was based on the estimated revenue and financing requirements of the subject nuclear power generating units (with reference to those of the comparable existing nuclear power generating unit).

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- Increase of RMB0.2 billion caused by expected financing requirements for commencement of development of two nuclear power generating units after approval by government authorities (certain amount of loan financing obtained will be deposited before utilisation). According to our discussion with the Management, such estimation was based on the historical financing requirements of existing projects.
 - Decrease of RMB2.0 billion caused by increase in days for the refuelling outages of nuclear power generating units, which will decrease the Group's revenue from electricity sales. According to our discussion with the Management, such estimation was based on expected number of increased days for the refuelling outages and historical revenue generated by nuclear power generating units.
 - Increase of RMB2.0 billion caused by cash inflow from financing to be obtained for the construction of two nuclear power generating units of the Group. According to our discussion with the Management, such estimation was based on the historical financing requirements of existing projects.
- (ii) The proposed Deposit Cap of RMB48.2 billion for FY2028 was formulated based on (a) the proposed Deposit Cap of RMB45.7 billion for FY2027; and (b) expected net increase of RMB2.5 billion caused by the following factors:
- Increase of RMB0.4 billion caused by expected commencement of operation of a nuclear power generating unit which will increase (i) the Group's revenue from electricity sales; and (ii) financing requirements for such nuclear power generating unit (certain amount of loan financing obtained will be deposited before utilisation). According to our discussion with the Management, such estimation was based on the estimated revenue and financing requirements of the subject nuclear power generating units (with reference to those of the comparable existing nuclear power generating unit).
 - Increase of RMB0.2 billion caused by expected financing requirements for commencement of development of four nuclear power generating units after approval by government authorities (certain amount of loan financing obtained will be deposited before utilisation). According to our discussion with the Management, such estimation was based on the historical financing requirements of existing projects.
 - Increase of RMB0.9 billion caused by decrease in days for the refuelling outages of nuclear power generating units, which will increase the Group's revenue from electricity sales. According to our discussion with the Management, such estimation was based on expected number of increased days for the refuelling outages and historical revenue generated by nuclear power generating units.

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- Increase of RMB1.0 billion caused by cash inflow from financing to be obtained for the construction of a nuclear power generating unit of the Group. According to our discussion with the Management, such estimation was based on the historical financing requirements of existing projects.
- (iii) The proposed Deposit Cap of RMB50.8 billion for FY2029 was formulated based on (a) the proposed Deposit Cap of RMB48.2 billion for FY2028; and (b) expected net increase of RMB2.6 billion caused by the following factors:
- Increase of RMB0.3 billion caused by expected commencement of operation of a nuclear power generating unit which will increase (i) the Group’s revenue from electricity sales; and (ii) financing requirements for such nuclear power generating unit (certain amount of loan financing obtained will be deposited before utilisation). According to our discussion with the Management, such estimation was based on the estimated revenue and financing requirements of the subject nuclear power generating units (with reference to those of the comparable existing nuclear power generating unit).
 - Increase of RMB0.2 billion caused by expected financing requirements for commencement of development of four nuclear power generating units after approval by government authorities (certain amount of loan financing obtained will be deposited before utilisation). According to our discussion with the Management, such estimation was based on the historical financing requirements of existing projects.
 - Increase of RMB0.1 billion caused by decrease in days for the refuelling outages of nuclear power generating units, which will increase the Group’s revenue from electricity sales. According to our discussion with the Management, such estimation was based on increased days for the refuelling outages and historical revenue generated by nuclear power generating units.
 - Increase of RMB2.0 billion caused by cash inflow from financing to be obtained for the construction of three nuclear power generating units of the Group. According to our discussion with the Management, such estimation was based on the historical financing requirements of existing projects.

For our due diligence purpose, we obtained from the Company the following information which substantiated the above-mentioned amounts of increase/decrease for the proposed Deposit Caps:

- (i) In respect of increased amounts caused by expected commencement of operation of nuclear power generating units: (a) Revenue figure for FY2025; and (b) increased outstanding borrowing amount after commencement of operation, of the comparable existing nuclear power generating unit.
- (ii) In respect of increased amounts caused by expected financing requirements for commencement of development of nuclear power generating units after approval by government authorities: The increased outstanding borrowing amount of the comparable existing projects after commencement of their development.

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- (iii) In respect of increased/decreased amounts caused by decrease/increase in days for the refuelling outages of nuclear power generating units, which will increase/decrease the Group’s revenue from electricity sales: (a) expected of number of increased days for the refuelling outages; and (b) historical revenue generated by relevant nuclear power generating units.
- (iv) In respect of increased amounts caused by cash inflow from financing to be obtained for the construction of nuclear power generating units of the Group: Extract of construction contract of an existing project which indicated its financing requirement for construction.

Having considered the above, we are of the view that the proposed Deposit Caps for the three years ending 31 December 2029 are fair and reasonable.

Shareholders should note that as the proposed Deposit Caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2029, and they do not represent forecasts of cash level of the Group. Consequently, we express no opinion as to how closely the actual cash level of the Group will correspond with the proposed Deposit Caps.

In light of the above, we are of the view that the terms of the Deposit CCT (including the proposed Deposit Caps for the three years ending 31 December 2029) are on normal commercial terms and are fair and reasonable.

Annual caps for the Loan CCT

The table below set out (i) maximum daily balance of the loans provided by CGN Group to the Group (the “**Maximum Loan Balance**”) for the three years ended 31 December 2025 and the period from 1 January to the Agreement Date, with corresponding annual caps (the “**Loan Cap(s)**”); and (ii) proposed Loan Caps for the four years ending 31 December 2029:

	For the year ended 31 December 2023 <i>RMB100 million</i>	For the year ended 31 December 2024 <i>RMB100 million</i>	For the year ended 31 December 2025 <i>RMB100 million</i>	For the period from 1 January to the Agreement Date <i>RMB100 million</i>
Maximum Loan Balance	241.89	221.64	312.50	275.42
Historical/existing Loan Caps	355.00	400.00	430.00	450.00 (<i>Note</i>)
Utilisation rates	68%	55%	73%	Undetermined

Note: The existing Loan Cap for FY2026.

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	For the year ending 31 December 2026 <i>RMB100 million</i>	For the year ending 31 December 2027 <i>RMB100 million</i>	For the year ending 31 December 2028 <i>RMB100 million</i>	For the year ending 31 December 2029 <i>RMB100 million</i>
Proposed Loan Caps	585.00	619.00	672.00	705.00

With reference to the Board Letter, in determining the proposed Loan Caps for the four years ending 31 December 2029, the Company considered:

- (a) (i) the maximum daily balance of loans provided by CGN Group to the Group for the year ended 31 December 2025; (ii) the provision of loans by CGN Group to the Group on normal commercial terms which are similar to or no less favorable than those available from Independent Third Parties for comparable services in the PRC and the Group's expectation that the demand for loans will increase in line with its business development (including but not limited to the increase in demand for repayment of principle and interest after the acquisition of the retained nuclear power business of CGN Group); and (iii) no security over the assets of the Group in respect of such loans.
- (b) the expected loan demand of the Group, which is based on (including but not limited to): (i) the demand for repayment of principle and interest of the nuclear power projects in operation of the Group and the funding needs for the nuclear power projects under construction; (ii) the expected funding needs for the projects to be approved after the nuclear power generating units commence construction; and (iii) the special bonds issued by the State-owned Assets Supervision and Administration Commission of the State Council.

For our due diligence purpose, we obtained the calculation of the proposed Loan Caps from the Company (the "**Loan Caps Calculation**").

Based on the Loan Caps Calculation:

- (i) The proposed Loan Cap of RMB58.5 billion for FY2026 was formulated based on (a) the existing Loan Cap of RMB45.0 billion for FY2026; and (b) expected net increase of RMB13.5 billion caused by the following factors:
 - Increase of RMB10 billion caused by expected acquisitions of nuclear power businesses (the target companies are expected to have outstanding loan balances with Financial Service Providers under CGN and requires further financing for future development after being acquired by the Group). According to our discussion with the Management, such estimation was based on the increased loan amounts caused by historical acquisitions.

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- Increase of RMB0.4 billion caused by financing requirements for commencement of development of two nuclear power generating units after approval by government authorities. According to our discussion with the Management, such estimation was based on the historical financing requirements of existing projects.
 - Increase of RMB1.1 billion caused by consolidation of the financial results of Fujian Ningde Second Nuclear Power Co., Ltd., which has been changed from a joint venture of the Company to a subsidiary of the Company since 5 January 2026. Fujian Ningde Second Nuclear Power Co., Ltd. has outstanding loan balances of RMB1.1 billion from Financial Service Providers under CGN as at 31 December 2025.
 - Increase of RMB2 billion caused by possible finance lease as an alternative financing method. According to our discussion with the Management, such estimation was based on the value of equipment potentially financed by finance lease.
- (ii) The proposed Loan Cap of RMB61.9 billion for FY2027 was formulated based on (a) the proposed Loan Cap of RMB58.5 billion for FY2026; and (b) expected net increase of RMB3.4 billion caused by the following factors:
- Increase of RMB1.0 billion caused by expected commencement of operation of two nuclear power generating units which will increase financing requirements for such nuclear power generating units. According to our discussion with the Management, such estimation was based on the historical financing requirements of the comparable existing nuclear power generating unit.
 - Increase of RMB0.4 billion caused by financing requirements for commencement of development of two nuclear power generating units after approval by government authorities. According to our discussion with the Management, such estimation was based on the historical financing requirements of existing projects.
 - Increase of RMB2 billion caused by possible finance lease as an alternative financing method. According to our discussion with the Management, such estimation was based on the value of equipment potentially financed by finance lease.

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(iii) The proposed Deposit Cap of RMB67.2 billion for FY2028 was formulated based on (a) the proposed Loan Cap of RMB61.9 billion for FY2027; and (b) expected net increase of RMB5.3 billion caused by the following factors:

- Increase of RMB0.5 billion caused by expected commencement of operation of a nuclear power generating unit which will increase financing requirements for such nuclear power generating unit. According to our discussion with the Management, such estimation was based on the historical financing requirements of the comparable existing nuclear power generating unit.
- Increase of RMB0.8 billion caused by financing requirements for commencement of development of four nuclear power generating units after approval by government authorities. According to our discussion with the Management, such estimation was based on the historical financing requirements of existing projects.
- Increase of RMB4 billion caused by possible finance lease as an alternative financing method. According to our discussion with the Management, such estimation was based on the value of equipment potentially financed by finance lease.

(iv) The proposed Loan Cap of RMB70.5 billion for FY2029 was formulated based on (a) the proposed Loan Cap of RMB67.2 billion for FY2028; and (b) expected net increase of RMB3.3 billion caused by the following factors:

- Increase of RMB0.5 billion caused by expected commencement of operation of a nuclear power generating unit which will increase financing requirements for such nuclear power generating unit. According to our discussion with the Management, such estimation was based on the historical financing requirements of the comparable existing nuclear power generating unit.
- Increase of RMB0.8 billion caused by financing requirements for commencement of development of four nuclear power generating units after approval by government authorities. According to our discussion with the Management, such estimation was based on the historical financing requirements of existing projects.
- Increase of RMB2 billion caused by possible finance lease as an alternative financing method. According to our discussion with the Management, such estimation was based on the value of equipment potentially financed by finance lease.

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For our due diligence purpose, we obtained from the Company the following information which substantiated the above-mentioned amounts of increase for the proposed Loan Caps:

- (i) In respect of increased amounts caused by expected acquisitions of nuclear power businesses: Outstanding loan balances of historical acquisition targets with Financial Service Providers under CGN at the end of the year of acquisition, which indicated the increased loan amounts from Financial Service Providers under CGN caused by historical acquisitions.
- (ii) In respect of increased amounts caused by expected commencement of operation of nuclear power generating units: Increased outstanding borrowing amount after commencement of operation of the comparable existing nuclear power generating unit.
- (iii) In respect of increased amounts caused by expected financing requirements for commencement of development of nuclear power generating units after approval by government authorities: The increased outstanding borrowing amount of the comparable existing projects after commencement of their development.
- (iv) In respect of increased amount caused by consolidation of the financial results of Fujian Ningde Second Nuclear Power Co., Ltd.: Outstanding loan balances of Fujian Ningde Second Nuclear Power Co., Ltd. from Financial Service Providers under CGN as at 31 December 2025.
- (v) In respect of increased amounts caused by possible finance lease as an alternative financing method: A list of equipment that are potentially financed by finance lease, setting out their expected contract values. Such expected contract values were over RMB10 billion in aggregate.

Having considered the above, we are of the view that the proposed Loan Caps for the four years ending 31 December 2029 are fair and reasonable.

Shareholders should note that as the proposed Loan Caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2029, and they do not represent forecasts of debt level of the Group. Consequently, we express no opinion as to how closely the actual debt level of the Group will correspond with the proposed Loan Caps.

In light of the above, we are of the view that the terms of the Loan CCT (including the proposed Loan Caps for the four years ending 31 December 2029) are on normal commercial terms and are fair and reasonable.

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III. LISTING RULES IMPLICATION

The Management confirmed that the Company shall comply with the requirements of Rules 14A.53 to 14A.59 of the Listing Rules pursuant to which (i) the value of the Procurement CCT, maximum daily balance of deposits and interest income of the deposits placed by the Group with CGN Group and maximum daily balance of the loans provided by CGN Group to the Group must be restricted by their respective annual caps; (ii) the terms of the Transactions must be reviewed by the independent non-executive Directors annually; and (iii) details of the independent non-executive Directors' annual review on the terms of the Transactions must be included in the Company's subsequent published annual reports and financial accounts. Furthermore, it is also required by the Listing Rules that the auditors of the Company must provide a letter to the Board confirming, among other things, whether anything has come to their attention that causes them to believe that the Transactions (i) have not been approved by the Board; (ii) were not entered into, in all material respects, in accordance with the relevant agreement governing the Transactions; and (iii) have exceeded their respective annual caps. In the event that the proposed annual caps are anticipated to be exceeded, or that there are any proposed material amendments to the terms of the Transactions, as confirmed by the Management, the Company shall comply with the applicable provisions of the Listing Rules governing continuing connected transactions.

Given the above stipulated requirements for the continuing connected transactions pursuant to the Listing Rules by the Company, we are of the view that there are adequate measures in place to monitor the Transactions (together with their respective annual caps) and hence the interest of the Independent Shareholders would be safeguarded.

RECOMMENDATIONS

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Transactions (including their respective proposed annual caps) are on normal commercial terms and fair and reasonable; and (ii) the Transactions are conducted under the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolutions to be proposed at the 2025 AGM to approve the Transactions and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
David Kwan
Senior Director

Note: Mr. David Kwan is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 15 years of experience in investment banking industry.

* *For identification purpose only*

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST

As of the Latest Practicable Date, none of the Directors or the chief executive of our Company had any interest and/or short position in the Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and/or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules to be notified to our Company and the Hong Kong Stock Exchange.

3. DISCLOSURE OF SUBSTANTIAL SHAREHOLDERS' INTERESTS

So far as the Directors are aware, as of the Latest Practicable Date, the following persons had or were deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital of our Company carrying rights to vote in all circumstances at general meeting of our Company:

Shareholder	Capacity/Nature of interest	Number and class of Shares	Approximate % in the relevant class of Shares (%)	Approximate % of issued Shares of the Company (%)
CGN	Beneficial owner	29,176,641,375 A Shares (L)	74.17	57.78
		560,235,000 H Shares (L)	5.02	1.11

Shareholder	Capacity/Nature of interest	Number and class of Shares	Approximate % in the relevant class of Shares (%)	Approximate % of issued Shares of the Company (%)
Guangdong Hengjian Investment Holdings Co., Ltd.* (廣東恒健投資控股有限公司)	Beneficial owner	3,428,512,500 A Shares (L)	8.72	6.79
CITIC Securities Company Limited	Interest of controlled corporation	12,427,066 A Shares (L)	0.03	0.02
		2,450,287,000 H Shares (L)	21.95	4.85
	28,962,000 H Shares (S)	0.26	0.06	
	Beneficial owner	11,794,422 A Shares (L)	0.03	0.02
		10,000,000 H Shares (L)	0.09	0.02
BlackRock, Inc.	Interest of controlled corporation	669,892,955 H Shares (L)	6.00	1.33
		220,756,000 H Shares (S)	1.98	0.44
	Interest of controlled corporation	173,683,367 H Shares (S)	1.56	0.34
Citigroup Inc.	Interest of controlled corporation	651,635,515 H Shares (L)	5.84	1.29
	Approved lending agent	485,955,986 H Shares (L)	4.35	0.96
	Interest of controlled corporation	173,683,367 H Shares (S)	1.56	0.34

Notes:

- (1) (L) denotes long position, and (S) denotes short position.
- (2) As at the Latest Practicable Date, none of the Directors is a director or employee of a company which had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to our Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

4. MATERIAL ADVERSE CHANGE

As of the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of our Group since December 31, 2025, being the date to which the latest published audited financial statements of our Group were made up.

5. MATERIAL ACQUISITION

During the period subsequent to December 31, 2025 (being the date to which the latest published audited financial statements of our Company were made up) and up to the Latest Practicable Date, none of the subsidiaries of our Group had acquired or agreed to acquire or was proposing to acquire a business or an interest in the share capital of a company whose profits and assets make or would make a material contribution to the figures in the auditor's report or in the next published accounts of our Company.

6. DIRECTORS' SERVICE CONTRACTS

As of the Latest Practicable Date, none of the Directors had entered, or proposed to enter, into a service contract with any member of the Group, other than service contracts expiring or terminable by the relevant member of the Group within one year without payment of compensation other than statutory compensation.

7. DIRECTORS' INTERESTS IN ASSETS

As of the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which have been acquired or disposed of by, or leased to, or which were proposed to be acquired or disposed of by, or leased to, any member of the enlarged Group since December 31, 2025, being the date to which the latest published audited financial statements of our Group were made up.

8. DIRECTORS' INTERESTS IN CONTRACTS

None of the Directors was materially interested in any contract or arrangement subsisting as of the Latest Practicable Date which is significant in relation to the business of the Group.

9. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As of the Latest Practicable Date, save as disclosed below and so far as the Directors were aware, none of the Directors and their respective close associates had interest in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with the business of our Group.

Name of Director	Position in our Company	Other interests
Mr. Yang Changli	Chairman of the Board and non-executive Director	Chairman of CGN
Mr. Pang Songtao	Executive Director and President	Director and general manager of CGN
Ms. Li Li	Non-executive Director	Director of CGN

10. LITIGATION

As of the Latest Practicable Date, no subsidiary of the Group was engaged in any litigation or claims of material importance nor was any litigation or claims of material importance known to the Directors to be pending or threatened against any subsidiary of the Group.

11. EXPERT AND CONSENTS

The following are the qualifications of the expert who has given opinion or advice which is contained in this circular:

Name	Qualification
Gram Capital Limited	Licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

The expert referred to above has given and has not withdrawn its written consent to the issue of this circular with the expert's statement included in the form and context in which it is included.

To the best knowledge, information and belief of the Directors, as at the Latest Practicable Date, none of the experts referred to above had any shareholding in any subsidiary of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any subsidiary of our Group.

As at the Latest Practicable Date, none of the expert referred to above, directly or indirectly, had any interest in any assets which had since December 31, 2025 (being the date to which the latest published audited financial statements of our Company were made up) been acquired or disposed of by or leased to any subsidiaries of the Group, or were proposed to be acquired or disposed of by or leased to any subsidiaries of the Group.

12. MATERIAL CONTRACTS

The following agreements (not being entered into the ordinary course of business) have been entered into by the Group within two years immediately preceding the date of this circular and which are or may be material:

- (a) 2027-2029 Nuclear Fuel Supply and Services Framework Agreement;
- (b) 2027-2029 Financial Services Framework Agreement; and
- (c) the share transfer agreement entered into between the Company and CGN on August 27, 2025 in relation to the acquisition of the 82% of the equity interests in CGN Huizhou Nuclear Power Co., Ltd. (中廣核惠州核電有限公司), 100% of the equity interests in CGN Huizhou No. 2 Nuclear Power Co., Ltd. (中廣核惠州第二核電有限公司), 100% of the equity interests in CGN Huizhou No. 3 Nuclear Power Co., Ltd. (中廣核惠州第三核電有限公司), and 100% of the equity interests in CGN Zhanjiang Nuclear Power Co., Ltd. (中廣核湛江核電有限公司) by the Company from CGN.

13. GENERAL

- (a) The joint company secretaries of the Company are Mr. Yin Engang and Ms. Ng Sau Mei. Ms. Ng Sau Mei is a fellow member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.
- (b) The registered address of our Company as registered with the Administration for Industry and Commerce is at 18/F, South Tower, CGN Building, No. 2002 Shennan Road, Futian District, Shenzhen.
- (c) The address of the H Share Registrar (the share registrar and transfer office of our Company in Hong Kong), Computershare Hong Kong Investor Services Limited, is at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) All references to times in this circular refer to Hong Kong times.
- (e) In the event of any inconsistency, the Chinese language text of this circular shall prevail over the English language text.

14. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and our Company (www.cgnp.com.cn) from the date of this circular up to 14 days (inclusive) thereafter:

- (a) the 2027-2029 Nuclear Fuel Supply and Services Framework Agreement;
- (b) the 2027-2029 Financial Services Framework Agreement;
- (c) the letter from the Independent Board Committee to the Independent Shareholders, the text of which is set out on pages 49 to 50 in this circular;
- (d) the letter from the Independent Financial Adviser, the text of which is set out on pages 51 to 77 in this circular; and
- (e) the written consent referred to in paragraph headed “Expert and Consents” in this appendix.

This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) of the Hong Kong Listing Rules to be given to the Shareholders of the Company relating to the proposed Repurchase Mandate which is set out as follows:

1. REASONS FOR REPURCHASE OF SHARES

To enable the Board to repurchase Shares within a short period of time in appropriate circumstances to seek the best interests of the Company and its Shareholders and to protect the interests of investors, it is proposed that a general mandate be granted to the Board to repurchase Shares (including both domestic A Shares and/or overseas H Shares). Such repurchases will, depending on market conditions, be made when the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole.

2. NUMBER OF SHARES PROPOSED TO BE REPURCHASED

As at the Latest Practicable Date, the total number of issued Shares of the Company was 50,498,773,022 Shares, comprising 39,335,148,022 A Shares and 11,163,625,000 H Shares and the Company did not have any treasury shares. Subject to the passing of the resolutions granting the H Share Repurchase Mandate and the A Share Repurchase Mandate and on the basis that no further H Shares or A Shares are issued or repurchased prior to the 2025 AGM, if repurchased in full, the number of Shares that may be repurchased shall not exceed 5,049,877,302 Shares, of which the number of A Shares that may be repurchased shall not exceed 3,933,514,802 Shares and the number of H Shares that may be repurchased shall not exceed 1,116,362,500 Shares, representing approximately 10% of the A Shares and approximately 10% of the H Shares in issue as at the date of the notice of the 2025 AGM, respectively (excluding any treasury shares, if any). The specific number of Shares to be repurchased shall be subject to the actual number of Shares to be repurchased at the expiry of the repurchase period.

3. SOURCE OF FUNDING

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association and the applicable laws of the PRC and the Hong Kong Listing Rules, as the case may be. The Directors propose that such share buy-backs, if and when effected, would be appropriately financed by the Company's internal resources.

4. EFFECT ON WORKING CAPITAL

As compared with the financial position of the Company as at December 31, 2025 (being the date to which the latest audited financial statements published by the Company have been made up), the Directors consider that there would not be a material adverse impact on the working capital or the gearing position of the Company in the event that the domestic A Share Repurchase Mandate and the overseas H Share Repurchase Mandate were to be exercised in full during the proposed repurchase period.

5. MARKET PRICES ON THE STOCK MARKET

Year	Month	A Shares		H Shares	
		Highest <i>RMB</i>	Lowest <i>RMB</i>	Highest <i>HKD</i>	Lowest <i>HKD</i>
2025	January	4.15	3.48	2.83	2.40
	February	3.89	3.59	2.63	2.40
	March	3.77	3.56	2.62	2.42
	April	3.71	3.33	2.61	2.31
	May	3.75	3.52	2.71	2.45
	June	3.79	3.60	2.77	2.47
	July	3.88	3.62	3.06	2.66
	August	3.95	3.65	3.22	2.87
	September	3.84	3.57	3.00	2.74
	October	4.20	3.64	3.30	2.88
	November	4.17	3.74	3.26	2.94
	December	3.90	3.74	3.13	2.86
2026	January	3.97	3.75	3.27	2.93
	February	3.98	3.81	3.30	3.06
	March	4.67	3.94	3.77	3.06
	April	4.70	4.40	3.57	3.32

6. EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the powers of the Company to repurchase domestic A Shares and/or overseas H Shares pursuant to the specific approval, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**") and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a mandatory offer for Shares under Rule 26 of the Takeovers Code.

As at the Latest Practicable Date and to the best knowledge of the Directors, CGN (as the Controlling Shareholder of our Company) directly held 29,736,876,375 Shares of the Company, representing approximately 58.89% of the issued share capital of the Company. If the specific approval is exercised in full, the interest of CGN in the Company will increase to up to approximately 65.43%. In the opinion of the Directors, such an increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Save as the aforesaid, the Directors are currently not aware of any consequences which will arise under the Takeovers Code and/or any similar applicable laws and regulations as far as the Directors are aware, as a result of any repurchases of overseas H Shares and/or domestic A Shares pursuant to the offshore H Share Repurchase Mandate and/or the domestic A Share Repurchase Mandate.

7. STATUS OF REPURCHASED A SHARES AND H SHARES

Pursuant to the Rules for Repurchase of Shares by Listed Companies (《上市公司股份回購規則》) of the CSRC, with reference to the details in relation to the general mandate to repurchase Shares by the Company, the Company may repurchase A Shares in order to safeguard its value and Shareholders' rights and interests, or for use in employee stock ownership plans or as equity incentives. The Company has to announce a share repurchase plan which shall include particulars such as price range, purpose and size of the repurchase before making specific repurchase in the A share market, and such repurchased A Shares shall be dealt with according to the disclosed purposes within three years. In respect of the repurchased A Shares that are not being dealt with according to the disclosed purposes, they shall be cancelled before the expiration of the three years. If the purpose of repurchasing Shares is to maintain the value of the Company and Shareholders' rights and interests, the repurchased A Shares can also be sold through centralized bidding after fulfilling the pre-disclosure obligations.

With effect from June 11, 2024, the Hong Kong Listing Rules have been amended to remove the requirement to cancel repurchased H shares and to adopt a framework to allow the repurchased H shares to be held in treasury and to govern the resale of the treasury shares. As at the Latest Practicable Date, the Company had no repurchased H Shares and did not have any treasury shares. Under the laws of the PRC, the H Shares repurchased by the Company will be cancelled in accordance with the Articles of Association, and the Company's registered capital will be reduced by an amount equivalent to the aggregate nominal value of the H Shares so cancelled.

For any treasury shares deposited with CCASS pending resale on the Hong Kong Stock Exchange, the Company shall (i) procure its broker not to give any instructions to the Hong Kong Securities Clearing Company Limited to vote at general meetings of the Company for the treasury shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the treasury shares from CCASS, and either re-register them in its own name as treasury shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury shares.

8. SECURITIES REPURCHASE MADE BY THE COMPANY

During the six months immediately preceding the Latest Practicable Date, the Company had not purchased any domestic A Shares and/or overseas H Shares (whether on the Hong Kong Stock Exchange or otherwise).

9. GENERAL INFORMATION

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Hong Kong Listing Rules) have any present intention to sell any Shares to the Company in the event that the proposed share repurchase and the granting of the Repurchase Mandate to repurchase domestic A Shares and/or overseas H Shares are approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Hong Kong Listing Rules) of the Company that they have a present intention to sell any Shares, or that they have undertaken not to sell any Shares held by them to the Company in the event that the proposed share repurchase and the granting of the Repurchase Mandate to repurchase domestic A Shares and/or overseas H Shares are approved by the Shareholders.

The Directors will exercise the power of the Company to repurchase Shares pursuant to the proposed share repurchase and the granting of the Repurchase Mandate to repurchase domestic A Shares and/or overseas H Shares in accordance with the Hong Kong Listing Rules and the applicable laws and regulations of the PRC.

Neither this explanatory statement nor the proposed share repurchase has any unusual features.

1. THE GROUP'S AUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE THREE YEARS ENDED DECEMBER 31, 2025

Financial information of the Group for the three years ended December 31, 2023, 2024 and 2025 are disclosed in the annual reports of the Company for the years ended December 31, 2023 and 2024, and the annual results announcement for the year ended December 31, 2025 respectively, and there was no qualified audit opinion expressed on the financial statements of the Group for the three years ended December 31, 2023, 2024 and 2025.

The unaudited consolidated interim financial information of the Group for the six months ended June 30, 2025 are disclosed in the interim report of the Company for the six months ended June 30, 2025.

The said annual reports and interim report of the Company are published on both the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company.

- (i) The annual report of our Group for the year ended December 31, 2023 published on April 11, 2024 (pages 176 to 332) in relation to the financial information of our Group for the same year. Please see below a link to the annual report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0411/2024041100346.pdf>

- (ii) The annual report of our Group for the year ended December 31, 2024 published on April 11, 2025 (pages 176 to 326) in relation to the financial information of our Group for the same year. Please see below a link to the annual report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0411/2025041100305.pdf>

- (iii) The annual results announcement of our Group for the year ended December 31, 2025 published on March 25, 2026 (pages 2 to 19) in relation to the financial information of our Group for the same year. Please see below a link to the annual results announcement:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0325/2026032501033.pdf>

- (iv) The interim report of our Group for the six months ended June 30, 2025 published on August 29, 2025 (pages 43 to 199) in relation to the financial information of our Group for the same period. Please see below a link to the interim report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0829/2025082900893.pdf>

2. STATEMENT OF INDEBTEDNESS

Bank borrowings

As at the close of business on February 28, 2026, being the latest practicable date for the purpose of this statement of indebtedness prior to the publication of this circular, the Group had aggregate outstanding bank borrowings of approximately RMB247,701,919.89 thousand, details of which are set out below:

	<i>RMB'000</i>	Rate of interest %
Bank borrowings, unsecured and unguaranteed	198,463,129.85	0.65 - 3.69
Bank borrowings, secured and unguaranteed (<i>Note</i>)	<u>49,238,790.04</u>	2.01 - 5.78
	<u><u>247,701,919.89</u></u>	

Note: The Group pledged certain property, plant and equipment, prepaid lease payments, trade receivables representing tariff collection rights for such credit facilities granted to the Group.

Loans from fellow subsidiaries/an associate/the ultimate holding company

As at the close of business on February 28, 2026, being the latest practicable date for the purpose of this statement of indebtedness prior to the publication of this circular, the Group had aggregate outstanding loans from the related parties of approximately RMB30,351,835.56 thousand, details of which are set out below:

	<i>RMB'000</i>	Rate of interest %
Loans from fellow subsidiaries, unsecured and unguaranteed	4,342,210.00	2.11 - 2.45
Loans from an associate, unsecured and unguaranteed	17,008,488.64	2.01 - 2.50
Loans from the ultimate holding company, unsecured and unguaranteed	7,636,040.00	1.80 - 2.45
Loans from an associate, secured and unguaranteed (<i>Note</i>)	<u>1,365,096.93</u>	2.54 - 2.65
	<u><u>30,351,835.56</u></u>	

Note: The Group pledged trade receivables representing tariff collection rights for such loans granted to the Group.

Debt securities

As at the close of business on February 28, 2026, the debt securities issued and have not yet redeemed by the Group are set out below:

Name of bonds	Face value <i>RMB'000</i>	Interest rate range %	Issue date	Term	Carrying
					Amounts (As at February 28, 2026) <i>RMB'000</i>
24 CGN Power MTN001	2,400,000.00	1.99	September 13, 2024	3 years	2,398,367.76
25 CGN Power MTN001	2,400,000.00	1.97	February 28, 2025	3 years	2,398,949.92
CGN Convertible Bond	4,900,000.00	0.2 – 2.0	July 9, 2025	6 years	4,867,478.14
26 CGN Power SCP001	1,000,000.00	1.55	February 10, 2026	268 days	1,000,000.00
26 CGN Power SCP002	1,000,000.00	1.55	February 10, 2026	268 days	1,000,000.00
					11,664,795.83

Lease liabilities

As at the close of business on February 28, 2026, the lease liabilities of the Group amounted to approximately RMB997,950.95 thousand.

Pledged assets

The Group pledged certain properties, plant and equipment, prepaid lease payments and trade receivables representing tariff collection rights for credit facilities granted to the Group. As at February 28, 2026, the book value of the pledged assets of the Group was approximately RMB13,971,037.50 thousand in aggregate.

Save as aforesaid or as otherwise disclosed herein, the Group did not have any loan capital issued and outstanding or agreed to be issued, outstanding bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, charges, hire purchases commitments, guarantees or other contingent liabilities as at the close of business on February 28, 2026.

Contingent Liabilities

Save as disclosed in this circular, the Group has no other material contingent liabilities. The Group is not involved in any current material legal proceedings, nor is the Group aware of such material legal proceedings. The Group would record any loss contingencies when, based on data then available, it is probable that a loss had been incurred and the amount of the loss can be reasonably estimated. The Group confirms that there has not been any material change in the level of its contingent liabilities since December 31, 2025 up to the Latest Practicable Date.

3. STATEMENT OF SUFFICIENCY OF WORKING CAPITAL

Taking into account the expected financial resources available to the Group including the internally generated funds and the available financing facilities, the Directors are of the opinion that the Group has sufficient working capital for its requirements, that is for at least the next 12 months from the date of this circular.

4. EFFECT OF THE 2027-2029 FINANCIAL SERVICES FRAMEWORK AGREEMENT ON THE EARNINGS, ASSETS AND LIABILITIES OF THE GROUP

For the transactions under the 2027-2029 Financial Services Framework Agreement, the Company considered that: (i) the service fees for settlement, entrusted loans and other financial services provided by the Financial Service Providers under CGN will not be higher than those charged by independent commercial banks or financial institutions; (ii) the interest rates of the deposits placed by the Group with CGN Finance will not be lower than the interest rates for deposits of a similar type for the same period offered by the big four commercial banks to the Group; and (iii) the Group may obtain financial assistance from CGN Finance and the relevant interest rates shall not be less favorable than the interest rates of comparable loans offered to the Group by independent commercial banks or financial institutions. The Company is of the view that the transactions under the 2027-2029 Financial Services Framework Agreement will not have any material impact on the earnings, assets and liabilities of the Group.

5. THE FINANCIAL AND TRADING PROSPECTS OF THE GROUP

On September 24, 2025, President Xi Jinping announced at the United Nations Climate Change Summit a new round of China's Nationally Determined Contributions (NDC) targets, namely China's 2035 NDC targets. This announcement marked the first time China presented a package of climate goals for the post-peak carbon period, targeting a net reduction in economy-wide greenhouse gas emissions. It laid out a systematic action plan covering multi-dimensional indicators such as energy and industrial transformation, as well as innovative policy mechanisms. On October 23, 2025, the Fourth Plenary Session of the 20th CPC Central Committee adopted the Recommendations of the Central Committee of the Communist Party of China for Formulating the 15th Five-Year Plan for National Economic and Social Development, which calls for "accelerating the comprehensive green transition of the

economy and society”, “speeding up the establishment of a new energy system”, “pursuing the concurrent development of wind, solar, hydro, nuclear and other energy sources” and “actively and prudently working towards and achieving carbon peaking”. On November 10, 2025, the 2035 China Nationally Determined Contribution Report issued by the Ministry of Ecology and Environment highlighted in the policies and actions for fully implementing NDCs that “active, safe and orderly development of nuclear power” is a key part of China’s strategy to “steadily and orderly advance its energy transition” and to “achieve substantive progress in building a new power system and a new energy system by 2035”. On April 27, 2025, five nuclear power projects, including Fangchenggang Phase III Project and Taishan Phase II Project, were approved by the State. This marked the fourth consecutive year that the State had approved five nuclear power projects.

On December 15, 2025, the National Energy Administration convened the 2026 National Energy Work Conference, mentioning that in 2025, China had “accelerated its green and low-carbon energy transition”, with “major hydropower and nuclear power projects advancing rapidly and steady progress in building the new power system”; for 2026, the focus would be on “firmly pushing forward the green and low-carbon transformation of energy”, “developing nuclear power actively, safely and in an orderly manner”, “accelerating self-reliance and innovation in energy technology” and “planning ahead for future energy sectors such as hydrogen and nuclear energy”. We believe the current and upcoming periods are crucial for China in establishing its new energy system and power system. As China enhances its energy security and moves toward achieving carbon peaking before 2030, the positive trajectory of the nuclear energy sector is strengthening. The sector remains in a strategically critical period for development, with further support expected for its active, safe and orderly growth, and significant opportunities still lie ahead.

According to the data released by the National Bureau of Statistics on January 19, 2026, the gross domestic product in 2025 increased by 5.0% year-on-year. China experienced economic growth despite pressures, moving toward innovation and quality improvement, with new achievements made in high-quality development. In 2025, the national average utilization hours of power generating units were 7,809 hours, representing a year-on-year increase of 126 hours.

In 2026, China is expected to sustain stable growth in economic operations. According to the CEC forecast, the electricity consumption in China is expected to increase by 5% to 6%. The national power demand and supply will remain balanced in general, albeit with a tight balance during certain periods and in specific regions. The Group places the stable and safe operation of its nuclear power generating units currently in operation as its top priority. Huizhou Unit 1 and Unit 2, as well as Cangnan Unit 1, are expected to commence commercial operation in 2026. The Group will implement appropriate measures to ensure the orderly and high-quality commencement of commercial operation of our new nuclear power generating units. At the same time, we will continue to make early preparations for new nuclear power projects, will actively seek to obtain requisite approvals and commence construction of additional projects in accordance with applicable laws and regulatory requirements.

CGN Power Co., Ltd.***Management Rules on Remuneration for Directors and Senior Management****CHAPTER 1 GENERAL PROVISIONS**

Article 1 These rules are formulated in accordance with the Company Law of the People's Republic of China, the Corporate Governance Standards for Listed Companies, the Articles of Association of CGN Power Co., Ltd. (the "Articles of Association"), and other relevant laws, regulations and provisions, and based on the actual conditions of the Company, in order to further improve remuneration management for directors and senior management of CGN Power Co., Ltd.* (the "Company"), establish a sound and effective incentive and constraint mechanism, effectively motivate the work enthusiasm of the directors and senior management of the Company, improve the operational and management efficiency of the Company, and enhance the remuneration management system of the Company.

Article 2 For the purpose of these rules, the term "directors" refers to all incumbent members of the board of directors of the Company (the "Board") during the period these rules are implemented. The directors of the Company comprise executive directors and non-executive directors (including independent directors). Executive directors refer to directors who hold other operation and management positions in the Company in addition to their directorship. Non-executive directors refer to directors who do not hold any operation and management position in the Company. Independent directors (i.e., "independent non-executive directors" as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) refer to directors who do not hold any position in the Company other than their directorship, and do not have direct or indirect interests in the company hired them and its substantial shareholders and actual controllers, nor any other relationship which may affect their ability to make independent and objective judgment.

Article 3 For the purpose of these rules, the term "senior management" refers to the president, vice presidents, chief financial officer, Board secretary, general counsel, and other senior management members designated by resolutions of the Board.

Article 4 For the purpose of these rules, the term "remuneration management" refers to the specific activities involved in implementing standardized management on the remuneration and benefits packages for directors and senior management, including remuneration components, remuneration management, and remuneration supervision.

Article 5 Remuneration management for the directors and senior management of the Company shall adhere to the following principles:

- (1) Adopting market-oriented approaches. Standardize corporate governance in accordance with modern enterprise management systems, promote benchmarking remuneration for directors and senior management against the market, facilitate enterprise reform and development, strengthen the responsibilities of directors and senior management, and enhance the vitality of enterprise development.
- (2) Emphasizing both incentives and constraints. The remuneration for directors and senior management shall be commensurate with operational responsibilities and risks, closely linked to business performance assessments. Remuneration shall increase with improved performance and decrease with declined performance, thereby fully motivating the work enthusiasm of directors and senior management.
- (3) Ensuring compliance with laws and regulations. Strictly implement requirements regarding management of remuneration, benefits, perks and business expenses for directors and senior management, improve supporting systems, and comprehensively standardize the allocation of revenue to directors and senior management.
- (4) Prioritizing efficiency while considering fairness. Coordinate the growth of remuneration for senior management with the growth of economic benefits and employee wages of the Company.
- (5) Integrating short-term and long-term goals, aligning outcome assessment with process evaluation, and coordinating organizational performance with individual performance.
- (6) Upholding the principles of openness, fairness, and transparency.

CHAPTER 2 DIVISION OF RESPONSIBILITIES

Article 6 The remuneration plan for directors shall be determined by the general meeting and disclosed accordingly. The remuneration plan for senior management shall be approved by the Board, explained to the general meeting, and disclosed accordingly.

Article 7 The remuneration committee under the Board (the “Remuneration Committee”) is responsible for formulating the assessment standards for directors and senior management and conducting assessments, formulating and reviewing the remuneration decision mechanisms, decision-making processes, payment and cessation of payment recovery arrangements, and other remuneration policies and plans for directors and senior management, as well as making recommendations to the Board on the following matters:

- (1) the remuneration of directors and senior management;
- (2) the formulation or amendment of equity incentive plans, employee stock ownership plans, and the granting of rights to incentive recipients and the achievement of conditions for the exercise of such rights by incentive recipients;
- (3) the arrangement of stock ownership plans for directors and senior management in the event of a proposed spin-off of a subsidiary;
- (4) other matters prescribed by laws, administrative regulations, listing rules in the jurisdiction where the shares of the Company are listed and the Articles of Association, and other matters as authorized by the Board.

For recommendations of the Remuneration Committee not being adopted or completely adopted by the Board, the opinions of the Remuneration Committee and reasons for non-adoption shall be recorded in the resolution of the Board, and shall be disclosed accordingly.

Article 8 When the Board or the Remuneration Committee evaluates an individual director or discusses the remuneration for such director, the director and any of his/her associates as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited shall abstain from discussion and voting.

Article 9 The departments in charge of strategic planning, human resources, and financial assets of the Company shall cooperate with the Remuneration Committee in the specific implementation of the remuneration plan for directors and senior management.

CHAPTER 3 REMUNERATION STANDARDS

Article 10 Remuneration standards shall be determined based on the nature of the work of directors and senior management, as well as the responsibilities and risks they undertake. The remuneration for the directors and senior management of the Company shall consist of basic remuneration, performance-based remuneration, and medium-to-long-term incentive income. In particular, the proportion of performance-based remuneration shall, in principle, be no less than sixty percent of the sum of basic remuneration and performance-based remuneration.

The remuneration for the directors and senior management of the Company shall be in pace with market development, be aligned with the Company's business performance and individual performance, and be coordinated with the Company's sustainable development.

(1) Remuneration for the Board members:

Executive directors: Their remuneration shall be implemented in accordance with the remuneration management system, assessment and incentive plans of the Company corresponding to the positions they hold, and they shall not receive separate director allowances or other remuneration for their directorship;

Independent directors: Their remuneration shall be determined in accordance with the Measures on Performance Evaluation of Independent Directors (Trial) of CGN Power Co., Ltd. approved by the general meeting;

Other non-executive directors: They shall not receive any remuneration from the Company, except as otherwise approved by the general meeting;

(2) Remuneration for senior management:

Senior management shall receive remuneration in accordance with the relevant remuneration and performance assessment management systems of the Company, based on the specific positions and roles they hold within the Company.

Article 11 The Company shall reasonably determine the remuneration for directors and senior management by taking into account factors such as industry levels, development strategies, and job value, promote the allocation of remuneration towards key positions, the front lines of production, and urgently needed high-level and highly skilled personnel, and facilitate the increase of employee remuneration levels.

Article 12 Performance evaluation shall serve as an important basis for the determination and payment of performance-based remuneration for the directors and senior management of the Company. The Company shall determine that a certain percentage of the performance-based remuneration for directors and senior management shall be paid after the disclosure of the annual report and the performance evaluation, and the performance evaluation shall be conducted based on audited financial data.

CHAPTER 4 REMUNERATION PAYMENT

Article 13 Remuneration for independent directors shall be implemented in accordance with the Measures on Performance Evaluation of Independent Directors (Trial) of CGN Power Co., Ltd. approved by the general meeting. The payment of remuneration for executive directors and senior management who receive remuneration from the Company shall be implemented in accordance with the internal remuneration management system of the Company.

Article 14 The remuneration for the directors and senior management of the Company is stated as pre-tax amounts. The Company shall, in accordance with relevant national and internal regulations, deduct (or withhold and pay on their behalf) the following amounts from the remuneration, and pay the remaining portion to the individuals.

- (1) individual income tax;
- (2) the portion of various social insurance premiums, housing provident fund, enterprise annuity, etc., to be borne by these individuals;
- (3) other amounts to be borne by these individuals as stipulated by national or internal regulations.

Article 15 Directors and senior management of the Company who leave their positions due to reasons such as expiration of their term of office, re-election, or resignation during their term of office shall have their remuneration calculated based on their actual term of office and actual performance, which shall be paid in accordance with these rules.

Article 16 If a director or senior management member of the Company violates laws, regulations and normative documents, or the Company's rules and systems, during his/her term of office, which seriously damages the Company's interests or causes significant economic losses to the Company, the Company may, depending on the extent of such individual's responsibility and the losses, make a proposal to reduce or cancel his/her remuneration or allowances, which shall be submitted to the Board or the general meeting for consideration and determination.

Article 17 When the Company makes retrospective restatements of its financial reports due to misstatements such as financial fraud, it shall promptly re-evaluate the performance-based remuneration and medium-to-long-term incentive income for directors and senior management, and recover any excess payments.

If a director or senior management member of the Company breaches his/her duties and causes losses to the Company, or is at fault for illegal or non-compliant acts such as financial fraud, misappropriation of funds, or illegal guarantees, the Company shall, depending on the severity of the circumstances, reduce or suspend the payment of any unpaid performance-based remuneration and medium-to-long-term incentive income, and shall recover in full or in part any performance-based remuneration and medium-to-long-term incentive income already paid during the period in which the relevant acts occurred.

Article 18 If a director or senior management member of the Company is subject to any of the following situations during his/her term of office, the Company may withhold the payment of such individual's performance-based remuneration or allowances, and recover in full or in part any performance-based remuneration or allowances already paid during the period in which the relevant situation occurred:

- (1) falls under any of the circumstances stipulated in Article 178 of the Company Law that disqualify a person from serving as a director or senior management member of a company;
- (2) has been subject to any administrative penalty by the China Securities Regulatory Commission for serious violations of laws and regulations;
- (3) has been publicly reprimanded or declared as an unsuitable candidate by a stock exchange;
- (4) has seriously damaged the Company's interests or caused significant economic losses to the Company;
- (5) other circumstances determined by the Company's regulatory authorities, general meeting or the Board as constituting a serious violation of the Company's relevant regulations.

CHAPTER 5 REMUNERATION ADJUSTMENT

Article 19 The remuneration system shall serve the Company's business strategies and be adjusted in response to the constant changes in the Company's business conditions to meet the Company's further development needs. The Company shall review the standards for basic remuneration and performance-based remuneration based on market research data and profitability, and adjust its policies according to the actual situation.

Article 20 The adjustment of remuneration for the directors and senior management of the Company shall refer to or be based on the following factors:

- (1) salary increase levels for comparable positions in comparable companies within the same industry, and salary increase levels for comparable positions in comparable companies within the same region;
- (2) inflation level and actual purchasing power of salaries;
- (3) business performance of the Company;
- (4) adjustments to the development strategy or organizational structure of the Company;
- (5) adjustments to individual positions or changes in duties.

Article 21 If the Company incurs losses, the Company shall provide a specific explanation at each stage of reviewing the remuneration for directors and senior management as to whether the changes in the remuneration for directors and senior management comply with the requirements linked to performance.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 22 Any matters not covered herein shall be implemented in accordance with relevant national laws, regulations and provisions, as well as relevant requirements of the stock exchanges in the jurisdiction where the Company is listed. In the event of any conflict between these rules and relevant national laws, regulations and provisions, as well as relevant requirements of the stock exchanges in the jurisdiction where the Company is listed, the latter shall prevail.

Article 23 These rules shall be revised and interpreted by the Board.

Article 24 These rules shall take effect from the date of consideration and approval by the general meeting of the Company.

* *For identification purpose only.*

NOTICE OF 2025 ANNUAL GENERAL MEETING



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)

NOTICE OF 2025 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2025 annual general meeting (the “AGM”) of CGN Power Co., Ltd. (the “Company”) will be held at 2:30 p.m. on Wednesday, May 20, 2026 at South Tower, CGN Building, No. 2002 Shennan Road, Shenzhen, Guangdong Province, the PRC for the purpose of considering and, if thought fit, passing the following resolutions:

Ordinary Resolutions

1. To consider and approve the report of the Board of Directors for the year ended December 31, 2025.
2. To consider and approve the annual report for the year 2025.
3. To consider and approve the audited financial report for the year ended December 31, 2025.
4. To consider and approve the profit distribution plan for the year ended December 31, 2025.
5. To consider and approve the performance evaluation results of independent non-executive Directors for the year 2025.
6. To consider and approve the investment plan and capital expenditure budget for the year 2026.
7. To consider and approve the Management Rules on Remuneration for Directors and Senior Management of CGN Power Co., Ltd..
8. To consider and approve the appointment of KPMG Huazhen LLP as the financial report auditor of the Company for the year 2026 until the conclusion of the next annual general meeting of the Company, and to authorize the Board to determine its remuneration.

NOTICE OF 2025 ANNUAL GENERAL MEETING

9. To consider and approve the appointment of Pan-China Certified Public Accountants LLP as the internal control auditor of the Company for the year 2026 until the conclusion of the next annual general meeting of the Company, and to authorize the Board to determine its remuneration.
10. To consider and approve the continuing connected transactions – 2027-2029 Nuclear Fuel Supply and Services Framework Agreement and the proposed annual caps thereto.
11. To consider and approve the major transactions and continuing connected transactions – 2027-2029 Financial Services Framework Agreement and the proposed annual caps thereto.

Special Resolutions

12. To consider and approve the grant of the general mandate to issue Shares to the Board of Directors for allotting, issuing and dealing with additional A Shares and/or H Shares during the Relevant Period.
13. To consider and approve the grant of the general mandate to repurchase Shares to the Board of Directors for Repurchasing A Shares and/or H Shares of the Company during the Relevant Period.

By order of the Board
CGN Power Co., Ltd.*

Yin Engang

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

The PRC, April 20, 2026

As at the date of this notice, the Board of the Company comprises Mr. Pang Songtao as an executive Director; Mr. Yang Changli, Ms. Li Li, 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

NOTICE OF 2025 ANNUAL GENERAL MEETING

Notes:

- a) All resolutions put to the vote at the AGM will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates to purely a procedural or administrative matter to be voted on by a show of hands in accordance with the Rules Governing the Listing of Securities (the “**Hong Kong Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”), and the results of the poll will be published on the websites of the Hong Kong Stock Exchange and the Company in accordance with the Hong Kong Listing Rules.

- b) Closure of register of members and eligibility for attending and voting at the AGM

In order to determine the list of Shareholders who are entitled to attend and vote at the AGM, the Company’s register of members will be closed from Thursday, May 14, 2026 to Wednesday, May 20, 2026, both days inclusive, during which period no transfer of H Shares of the Company will be effected. The Shareholders whose names appear on the Company’s register of shareholders on Wednesday, May 20, 2026 (i.e., the record date) shall be entitled to attend and vote at the AGM. In order to be eligible for attending and voting at the AGM, all transfer documents of H Shares together with relevant share certificates and other appropriate documents shall be sent for registration to the H Share Registrar of the Company, namely, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong before 4:30 p.m. on Wednesday, May 13, 2026.

- c) Reply slip

The Shareholders who intend to attend and vote at the AGM (in person or by a proxy) shall complete the reply slip attached, and return it for registration by hand, by mail or by fax on or before Wednesday, May 13, 2026 to the H Share Registrar of the Company at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong (in case of H Shareholders). Completion and return of the reply slip will not preclude you from attending or voting at the AGM.

- d) Proxy

Any Shareholder entitled to attend and vote at the AGM is entitled to appoint one or more persons (if the Shareholder holds two or more issued shares of the Company with a nominal value of RMB1.00 each), whether such person is a Shareholder of the Company or not, as his/her/its proxy or proxies to attend and vote on his/her/its behalf at the AGM.

The proxy concerned must be appointed with a form of proxy. The form of proxy concerned must be signed by the principal or the representative duly authorized in writing by the principal. If the principal is a legal person, the form of proxy shall be affixed with the seal of the legal person or signed by its director or a representative duly authorized in writing. If the form of proxy of the proxy is signed by the authorized person of the principal under a power of attorney or other authorization documents given by the appointer, such power of attorney or other authorization documents shall be notarized, and served at the same time as the form of proxy. The form of proxy of the Shareholders’ proxy shall be served to the H Share Registrar of the Company at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong (in case of H Shareholders) at least 24 hours before the scheduled time for holding of the AGM or any adjournment thereof (as the case may be).

After the completion and return of the form of proxy, you can attend and vote in person at the AGM or any adjournment thereof should you so wish. In this case, the form of proxy will be deemed to have been revoked.

In case of registered joint holders of any Shares, one of the registered joint holders can vote on such Shares in person or by a proxy at the AGM as the only holder entitled to vote. If more than one registered joint holders attend the AGM in person or by a proxy, only the vote of the person whose name appears first in the register of members relating to the joint holders (in person or by a proxy) will be accepted as the only vote of the joint holders.

NOTICE OF 2025 ANNUAL GENERAL MEETING

e) Miscellaneous

- (i) The Company's Shareholders or their proxies shall present their identity documents when attending the AGM (or any adjournment thereof). If the legal representative of corporate Shareholders or any other persons officially authorized by the corporate Shareholders are present at the AGM (or any adjournment thereof), such legal representative or other persons shall present their identity documents and the certifying documents for appointment as a legal representative or valid authorization documents (as the case may be).
- (ii) The AGM is expected to last for no more than a half of a working day. Shareholders and representatives attending the meeting shall be responsible for their own traveling and accommodation expenses.
- (iii) Address of Computershare Hong Kong Investor Services Limited:

17M Floor,
Hopewell Centre, No. 183 Queen's Road East,
Wan Chai,
Hong Kong
Tel: (852) 2862 8628
Fax: (852) 2865 0990

Address of the Company's headquarters in the PRC:

18/F, South Tower, CGN Building,
No. 2002 Shennan Road, Shenzhen,
Guangdong Province, PRC
Tel: (86) 755 84430888
Fax: (86) 755 83699089

NOTICE OF THE 2026 FIRST H SHAREHOLDERS' CLASS MEETING



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)

NOTICE OF THE 2026 FIRST H SHAREHOLDERS' CLASS MEETING

NOTICE IS HEREBY GIVEN THAT the 2026 first H Shareholders' class meeting (the "H Shareholders' Class Meeting") of CGN Power Co., Ltd. (the "Company") will be held at 3:30 p.m. on Wednesday, May 20, 2026 at South Tower, CGN Building, No. 2002 Shennan Road, Shenzhen, Guangdong Province, the PRC for the purpose of considering and, if thought fit, passing the following resolution:

Special Resolution

1. To consider and approve the grant of the general mandate to the Board of Directors for Repurchasing A Shares and/or H Shares of the Company during the Relevant Period.

By order of the Board
CGN Power Co., Ltd.*

Yin Engang

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

The PRC, April 20, 2026

As at the date of this notice, the Board of the Company comprises Mr. Pang Songtao as an executive Director; Mr. Yang Changli, Ms. Li Li, 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

NOTICE OF THE 2026 FIRST H SHAREHOLDERS' CLASS MEETING

Notes:

- a) All resolutions put to the vote at the H Shareholders' Class Meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates to purely a procedural or administrative matter to be voted on by a show of hands in accordance with the Rules Governing the Listing of Securities (the "**Hong Kong Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"), and the results of the poll will be published on the websites of the Hong Kong Stock Exchange and the Company in accordance with the Hong Kong Listing Rules.

- b) Closure of register of members and eligibility for attending and voting at the H Shareholders' Class Meeting

In order to determine the list of Shareholders who are entitled to attend and vote at the H Shareholders' Class Meeting, the Company's register of members will be closed from Thursday, May 14, 2026 to Wednesday, May 20, 2026, both days inclusive, during which period no transfer of H Shares of the Company will be effected. The Shareholders whose names appear on the Company's register of shareholders on Wednesday, May 20, 2026 (i.e., the record date) shall be entitled to attend and vote at the H Shareholders' Class Meeting. In order to be eligible for attending and voting at the H Shareholders' Class Meeting, all transfer documents of H Shares together with relevant share certificates and other appropriate documents shall be sent for registration to the H Share Registrar of the Company, namely, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong before 4:30 p.m. on Wednesday, May 13, 2026.

- c) Reply slip

The H Shareholders who intend to attend and vote at the H Shareholders' Class Meeting (in person or by a proxy) shall complete the reply slip attached, and return it for registration by hand, by mail or by fax on or before Wednesday, May 13, 2026 to the H Share Registrar of the Company at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (in case of H Shareholders). Completion and return of the reply slip will not preclude you from attending or voting at the H Shareholders' Class Meeting.

- d) Proxy

Any Shareholder entitled to attend and vote at the H Shareholders' Class Meeting is entitled to appoint one or more persons (if the Shareholder holds two or more issued shares of the Company with a nominal value of RMB1.00 each), whether such person is a Shareholder of the Company or not, as his/her/its proxy or proxies to attend and vote on his/her/its behalf at the H Shareholders' Class Meeting.

The proxy concerned must be appointed with a form of proxy. The form of proxy concerned must be signed by the principal or the representative duly authorized in writing by the principal. If the principal is a legal person, the form of proxy shall be affixed with the seal of the legal person or signed by its director or a representative duly authorized in writing. If the form of proxy of the proxy is signed by the authorized person of the principal under a power of attorney or other authorization documents given by the appointer, such power of attorney or other authorization documents shall be notarized, and served at the same time as the form of proxy. The form of proxy of the Shareholders' proxy shall be served to the H Share Registrar of the Company at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (in case of H Shareholders) at least 24 hours before the scheduled time for holding of the H Shareholders' Class Meeting or any adjournment thereof (as the case may be).

After the completion and return of the form of proxy, you can attend and vote in person at the H Shareholders' Class Meeting or any adjournment thereof should you so wish. In this case, the form of proxy will be deemed to have been revoked.

In case of registered joint holders of any Shares, one of the registered joint holders can vote on such Shares in person or by a proxy at the H Shareholders' Class Meeting as the only holder entitled to vote. If more than one registered joint holders attend the H Shareholders' Class Meeting in person or by a proxy, only the vote of the person whose name appears first in the register of members relating to the joint holders (in person or by a proxy) will be accepted as the only vote of the joint holders.

NOTICE OF THE 2026 FIRST H SHAREHOLDERS' CLASS MEETING

e) Miscellaneous

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- (ii) The H Shareholders' Class Meeting is expected to last for no more than a half of a working day. Shareholders and representatives attending the meeting shall be responsible for their own traveling and accommodation expenses.
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