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CHINA NUCLEAR ENERGY TECHNOLOGY CORPORATION LIMITED

中國核能科技集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 611)

CHANGE OF AUDITORS

This announcement is made by the board of directors (the “**Board**”) of China Nuclear Energy Technology Corporation Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

RESIGNATION OF AUDITOR

The Board announces that BDO Limited (“**BDO**”) has resigned as the auditor of the Company on 31 October 2023 as the Company and BDO were unable to reach a consensus on the audit fee for the year ending 31 December 2023.

The audit committee of the Company (the “**Audit Committee**”) has reviewed the audit fee proposal provided by BDO and considered that the estimated fee level may not commensurate with the current operation scale of the Group. The Audit Committee has also obtained and reviewed audit fee proposals provided by other professional accounting firms which were lower in comparison with BDO’s audit fee proposal. In view of the more competitive fee proposals provided by other professional accounting firms possessing the necessary capabilities and competence (including technical know-how, industry knowledge, track record, manpower and other resources) to perform its duties as the auditor of the Company, the Board, with the recommendation of the Audit Committee, is satisfied that the resignation of BDO is in the interest of the Company and the Shareholders (the “**Shareholders**”) as a whole.

BDO has confirmed in writing that, saved as disclosed above, there are no other matters in respect of its resignation that needs to be brought to the attention of the shareholders of the Company.

The Board and the Audit Committee have also confirmed that there are no disagreements or unresolved matters between BDO and the Company and there are no other matters in respect of the change of auditors that should to be brought to the attention of the Shareholders.

As at the date of this announcement, the Board confirms that BDO has not commenced any audit work on the consolidated financial statements of the Group for the year ending 31 December 2023.

The Board is also of the view that the change of auditors will not have any significant impact on the audit of the Group for the year ending 31 December 2023.

The Board would like to take this opportunity to express its sincere gratitude to BDO for its professional services and support rendered to the Company in the past years.

APPOINTMENT OF AUDITOR

The Board further announces that, in accordance with the Bye-laws of the Company and with the recommendation of the Audit Committee, Ernst & Young has been appointed as the new auditor of the Company on 31 October 2023 to fill the casual vacancy following the resignation of BDO, and to hold office until the conclusion of the next annual general meeting of the Company.

The Audit Committee has considered a number of factors in assessing the appointment of Ernst & Young in accordance with their duties stated in the terms of reference of the Audit Committee, including but not limited to (i) the caliber of Ernst & Young including its experience in handling audit work for companies listed on the Stock Exchange, its familiarity with the requirements under the Listing Rules and the International Financial Reporting Standards; (ii) the audit plan of Ernst & Young; (iii) its independence and objectivity; (iv) its reputation in the market; (v) its resources and capability; and (vi) the guidelines issued by the Accounting and Financial Reporting Council.

The Audit Committee has noted that Ernst & Young has extensive audit experience for other sizable listed companies in Hong Kong and has engaged in other reporting accountant works for many listed companies. Ernst & Young is of high reputation in the market and has extensive internal expert support on various industries. The Audit Committee has also assessed the engagement team for the audit of the Group and considered there is sufficient and appropriate resources. Based on the above, the Audit Committee is satisfied that Ernst & Young is independent, competent and capable (in terms of manpower, expertise, time and other resources) to perform high-quality audit services.

In view of the relatively lower audit fee chargeable by Ernst & Young and the abovementioned qualities, the Board, with the recommendation from the Audit Committee, considered that the appointment of Ernst & Young would enhance the cost-effectiveness of the Company's audit fee and is in the interest of the Company and its Shareholders as a whole as it would align the audit arrangements between the Company and its shareholder with a view to enhancing the efficiency of the audit services for the Group.

By Order of the Board
China Nuclear Energy Technology Corporation Limited
Shu Qian
Chairman

Hong Kong, 31 October 2023

As at the date of this announcement, the executive Directors of the Company are Mr. Shu Qian (Chairman), Mr. Wu Yuanchen (Vice Chairman), Mr. Li Hongwei (Vice Chairman), Mr. Liu Genyu, Ms. Huang Yan and Ms. Liu Jianrong; and the independent non-executive Directors of the Company are Dr. Xu Shiqing, Mr. Kang Xinquan and Dr. Su Lixin.