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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

After a preliminary review of the latest unaudited consolidated management accounts of the Group for the six months ended 30 June 2026 (the "**Review Period**"), the Board wishes to inform the Shareholders and potential investors of the Company that the Group is expected to record a net profit of not less than RMB30 million for the six months ended 30 June 2026, representing a decrease of not more than 65% as compared to the net profit of RMB85.5 million for the six months ended 30 June 2025.

The Board considers that the Group has a sound financial foundation and that the fundamentals of its overall business operations remain robust and stable. The decrease in the net profit for the Review Period represents a normal phased adjustment arising from industry cycle and the Group's strategic upgrade process, and does not affect the Group's overall development trajectory. The Group will continue to focus on its core business areas of wind, photovoltaic and energy storage, steadily advancing the reserve, selection and implementation of high-quality new energy projects, whilst continuously expanding its portfolio of high-quality core assets to strengthen its capacity for sustainable operations.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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The phased decrease in net profit for the Review Period is attributable to a combination of changes in external industry policies and market conditions, as well as the Group's internal strategic adjustments. On the one hand, the electricity market-based reform of the domestic new energy sector is advancing at an accelerated pace, with policies relating to electricity trading and consumption management being progressively implemented. This has intensified competition within the sector and placed pressure on electricity market prices. In some regions, constraints on grid consumption conditions have had a phased impact on this sector's overall profitability. On the other hand, the Group has proactively implemented optimization of its business structure and strategic industrial upgrading; these adjustments represent medium- to long-term strategic measures focusing on its core business segments and consolidating the Group's long-term competitive strength. The main contributing factors of the decrease in net profit are set out below:

(1) PROACTIVELY OPTIMIZING THE BUSINESS MODEL FOR EPC AND CONSULTANCY AND CONSTRUCTION BUSINESS, FOCUSING ON EMPOWERING INTERNAL PROJECTS

To further optimize the profit structure, free up capital and resources, and concentrate resources on deepening our core business of wind, photovoltaic, and energy storage operations, the Group has proactively adjusted the development strategy for its engineering, procurement and construction ("**EPC**") and consultancy and construction business by systematically exiting external municipal engineering projects that tie up significant capital and have lower gross profit margins, and the Group will no longer undertake new external orders of this type of projects. At the same time, the Group has repositioned its new energy EPC business as its internal support segment, primarily serving the construction needs of the Group's own wind, photovoltaic, and energy storage projects; revenue from such internal projects is offset at the consolidated accounts level, resulting in a year-over-year decline in this segment's external operating revenue.

These business adjustments represent a forward-looking strategic move by the Group. During the Review Period, the quality of the Group's internal self-developed projects remained high and all projects under construction passed acceptance inspections on the first attempt. The Group achieved zero accidents in terms of safety in production and quality control during the Review Period, and continued to strengthen engineering and supporting construction capabilities, which will provide strong support for the further expansion of the Group's power plant asset scale.

(2) PRESSURE FROM REGIONAL CONSUMPTION CONDITIONS HAS SLOWED THE GROWTH RATE OF POWER GENERATION, WHICH IS WEIGHING ON PROFITABILITY IN THE SHORT TERM; HOWEVER, THE LONG-TERM GROWTH FOUNDATION OF THE CORE POWER GENERATION BUSINESS REMAINS SOLID

During the Review Period, the Group continued to advance the large-scale deployment of wind and photovoltaic power plants. The scale of its wind, photovoltaic, and storage operational assets expanded steadily, with the comprehensive equipment availability rate of power plants maintained at a high level of 99.7%, consistently exceeding industry standards, and the Group's capability for refined asset operations remained industry-leading. However, due to the concentrated grid integration of domestic new energy projects in the first half of 2026 and the rapid growth in national installed capacity, compounded by temporary constraints on cross-regional power transmission channels, the capacity to consume new energy in certain operating regions was limited, and the curtailment risk increased. This resulted in a slowdown in the year-over-year growth rate of electricity generation at the Group's wind and photovoltaic power plants, which had a phased negative impact on operating profit for the Review Period.

Although the Group has been temporarily affected by phased industry-wide supply and demand and consumption constraints, the Board believes that the fundamentals of the Group's core power generation business remain intact. The Group is actively seizing opportunities presented by electricity market-based reform and continues to build a diversified revenue base. Through various channels, including green certificate trading, energy storage capacity leasing, grid ancillary services, and market-based electricity sales, the Group hedges against the risk of fluctuations in power generation and enhances asset returns. With the continued stable operation of existing high-quality power plants and the gradual commissioning of new wind, photovoltaic, and energy storage projects, the scale of the Group's power generation assets will continue to expand, laying a solid foundation for long-term and steady growth.

(3) THE COMPREHENSIVE DEEPENING OF ELECTRICITY MARKET-BASED MECHANISMS IS DRIVING A RESTRUCTURING OF THE INDUSTRY'S REVENUE MODEL, WHICH IS SUPPRESSING PROFITABILITY IN THE SHORT TERM, BUT THE INDUSTRY'S LONG-TERM DEVELOPMENT OUTLOOK REMAINS POSITIVE

In the first half of 2026, supporting policies for the national unified electricity market system were fully implemented. New energy power generation business began participating fully in market-based trading, and power generation revenues are no longer dependent on fixed benchmark electricity prices but instead fluctuate dynamically in response to market supply and demand as well as regional trading rules. The trading rules, price differential mechanisms, and ancillary service compensation policies differs across provinces and cities, causing the industry's overall revenue structure to enter a phase of profound restructuring and adjustment. On the other hand, although costs along the energy storage industry chain have stabilized and begun to decline, the market-based revenue mechanism is still under refinement. Fluctuations in peak-to-off-peak price differentials and varying implementation paces of capacity compensation policies across regions have resulted in a phased realisation of revenue from energy storage projects, constituting a significant external factor contributing to the Group's performance fluctuations during the Review Period.

In the long run, policy changes such as electricity market-based reform, mandatory compliance with green certificates, and compensation for independent energy storage capacity do not result in a weakening of the industry's fundamentals, but rather represent an inevitable transition for the new energy sector from rapid scale expansion toward high-quality, standardized, and market-oriented development. As the multi-tiered electricity market system continues to improve and diversified revenue mechanisms gradually mature, the risk resilience and profit flexibility of integrated wind-photovoltaic-storage assets will be further unleashed. The Group has proactively positioned itself within the market-based trading system, continuously optimized its asset structure, and secured a substantial portfolio of high-quality new energy projects. The Group expects to fully benefit from the industry's standardized development, with room for steady growth in both medium- to long-term operating performance and asset value.

The Board believes that the Group's financial position remains sound and it will continue to identify high-quality investment opportunities. The Group will continue to implement its overall strategic plan: consolidating its core wind, photovoltaic, and energy storage power generation assets, expanding into high-growth sectors such as distributed photovoltaic and energy storage, continuing to scale back low-margin external EPC businesses, optimizing market-based trading strategies through its proprietary digital platform, enhancing long-term profitability through the coordinated operation of generation, grid, load, and storage, as well as diversified green revenue channels, and gradually mitigating the short-term performance pressure resulting from this business restructuring.

As the Company is still in the process of finalizing its unaudited consolidated financial statements for the six months ended 30 June 2026, the information contained in this announcement is only based on a preliminary assessment of the unaudited consolidated management accounts of the Group and the information currently available to the Board. Shareholders and potential investors are advised to read carefully the interim results announcement of the Company which is expected to be released in late August 2026.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms used herein shall have the following meanings:

"Board"	the board of Directors
"Company"	China Nuclear Energy Technology Corporation Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 611)
"Director(s)"	director(s) of the Company
"Group"	the Company and its subsidiaries
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

"Share(s)"	ordinary share(s) of HK$0.10 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

By Order of the Board
China Nuclear Energy Technology Corporation Limited
Wang Haoying
Chairman

Hong Kong, 11 August 2026

As at the date of this announcement, the non-executive Director of the Company is Mr. Wang Haoying (Chairman); the executive Directors of the Company are Mr. Wu Rong (Vice Chairman), Mr. Qiu Wenhe (Vice Chairman), Mr. Liu Genyu, Mr. Li Xiaofeng and Ms. Du Ruili; and the independent non-executive Directors of the Company are Dr. Xu Shiqing, Dr. Su Lixin and Mr. Wang Ruzhang.