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CHINA ISOTOPE & RADIATION CORPORATION

中國同輻股份有限公司

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

(Stock Code: 1763)

CONTINUING CONNECTED TRANSACTIONS

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

References are made to the announcements of the Company (i) dated 30 March 2023, in relation to, among others, the entering into of the 2023 Financial Services Agreement; (ii) dated 31 October 2023, in relation to, among others, the entering into of the 2023 Supply Agreement, the 2023 Purchase Agreement, the 2023 Leasing Agreement, the 2023 Carbon-14 Supply Agreement, the 2023 Cobalt-60 Supply Agreement, the 2023 Consulting Agreement and the 2023 Engineering Construction Services Framework Agreement; and (iii) dated 30 August 2024, in relation to, among others, the revision of annual caps under the 2023 Engineering Construction Services Framework Agreement, the 2023 Purchase Agreement and the 2023 Supply Agreement.

As these agreements will expire on 31 December 2025, with a view to continuing the transactions thereunder, the Board has resolved to renew these agreements, and the Company has entered into the Renewed Agreements with the relevant parties on 11 December 2025 for a term of three years. Among these, the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement (including the proposed annual caps thereunder) are subject to the approval by the Independent Shareholders at the Company's general meeting.

In respect of the Directors attending the Board meeting, connected Directors Mr. Xiao Yafei, Mr. Zhang Junqi, Ms. Huo Yingying, Ms. Ma Xiaoyu, Mr. Chen Zan and Mr. Ding Jianmin were considered to have material interests in the Renewed Agreements by virtue of being employed by CNNC and its associates and had thus abstained from voting on the Board resolutions in respect of the Renewed Agreements.

The Directors, including the independent non-executive Directors, are of the view that the terms of the Renewed Leasing Agreement are determined through arm's length negotiation on normal commercial terms, and the transactions contemplated and the proposed annual caps thereunder are fair and reasonable, entered into in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

The Directors (excluding the independent non-executive Directors who shall provide their views after considering the advice from the Independent Financial Adviser) are of the view that the terms of the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement are determined through arm's length negotiation on normal commercial terms, and the transactions contemplated and the proposed annual caps thereunder are fair and reasonable, entered into in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CNNC is the controlling Shareholder of the Company, holding approximately 73.83% of the Company's total issued share capital directly or indirectly through CIAE, NPIC, CNNC Fund and 404 Company. Therefore, CNNC and its associates are connected persons of the Company pursuant to Chapter 14A of the Listing Rules. The transactions under the Renewed Agreements are continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Renewed Leasing Agreement for the three years ending 31 December 2028 exceed 0.1% but are less than 5%, the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements, but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement and the Renewed Engineering Construction Services Framework Agreement for the three years ending 31 December 2028 exceed 5% but are less than 25%, the transactions contemplated thereunder are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The transactions contemplated under the Renewed Engineering Construction Services Framework Agreement also constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Deposit Services under the Renewed Financial Services Framework Agreement exceed 5%, the Deposit Services are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. In addition, as one or more of the applicable percentage ratios in respect of the proposed annual caps for the Deposit Services under the Renewed Financial Services Framework Agreement exceed 25%, the Deposit Services also constitute major transactions of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting, announcement and Shareholders' approval requirements.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Settlement, Entrusted Loan and Other Financial Services under the Renewed Financial Services Framework Agreement exceed 5%, the Settlement, Entrusted Loan and Other Financial Services are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Financial Leasing Services under the Renewed Financial Services Framework Agreement exceed 5%, the Financial Leasing Services are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Factoring Services under the Renewed Financial Services Framework Agreement exceed 5%, the Factoring Services are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Asset Securitization Services under the Renewed Financial Services Framework Agreement exceed 0.1% but are less than 5%, the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements, but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

The Company will convene a general meeting to consider and, if appropriate, approve the resolutions to be proposed in relation to the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement (including the proposed annual caps). A circular containing, among other things, (i) further details of the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement; (ii) a letter from the Independent Board Committee containing its opinions and recommendations in respect of the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement; and (iv) a notice of the general meeting, will be dispatched to the Shareholders within 15 business days.

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS (PART I)

I. Renewed Leasing Agreement

Reference is made to the announcement of the Company dated 31 October 2023, in relation to, among others, the entering into of the 2023 Leasing Agreement.

As this agreement will expire on 31 December 2025, with a view to continuing the transactions thereunder, the Board has resolved to renew this agreement, and the Company has entered into the Renewed Leasing Agreement with the relevant party on 11 December 2025 for a term of three years.

Parties: CNNC (the lessor and service provider); and
the Company (the lessee and service recipient)

Principal Terms: The Company has entered into the Renewed Leasing Agreement with CNNC on 11 December 2025, pursuant to which the Group will rent or use certain properties and equipment from CNNC and its associates (excluding the Group) in its ordinary course of business from time to time, and CNNC and its associates (excluding the Group) will provide supporting services relating to such properties and equipment. Such properties and equipment are mainly used for production, operation and office use, including but not limited to (i) office buildings, land and office facilities; (ii) production plants (mainly used to produce technetium labeled injections, fluorine-18-FDG injections and iodine-125 sealed source); (iii) production facilities in relation to waste liquid and gas emissions and others and treatment services; (iv) production equipment (mainly high-power accelerator); (v) common areas and facilities (including kindergarten, water and electricity facilities and other facilities); and (vi) services associated with employee education, safety production and research and development of technologies.

Term: The agreement will come into force on 1 January 2026 and expire on 31 December 2028, subject to renewal as may be agreed and negotiated upon by both parties.

Reasons for and Benefits of the Transaction: Historically the Group has rented or used a number of properties and equipment of CNNC and/or its associates for the purpose of the Group's production, operation and management, and CNNC and/or its associates have provided the Company with general supporting services relating to such properties and equipment. In view of (a) the quality of the equipment and facilities provided by CNNC in the field of nuclear technology; (b) the Group's long-term business relationship with CNNC; and (c) the facts that certain key equipment and facilities were tailor made for the Group's production, the leasing of such properties and equipment is in line with the Group's business needs and economic interests and the Shareholders' interests as a whole. Relocation of or switch to new equipment and facilities will give rise to additional costs and expenses, cause interruption to the Company's production and require additional training costs and time. In addition, the high-quality employee education services, safety production training services and scientific research-related services provided by CNNC enable the Group to improve its management skills, to enhance its safety production and to improve its scientific research capability. In light of the above, the Directors are of the view that it is in the Shareholders' best interest to continue the current arrangement with CNNC and/or its associates in relation to the lease of the properties, equipment and the related services.

Pricing Policy: The Group will determine the transaction terms (such as rental fee, service fee, payment progress and method and other sundry charges) in accordance with the following criteria:

1. The rental fee for properties and equipment for administrative and other general purposes shall be equal to or not higher than the prevailing market price offered by an Independent Third Party under the same circumstances.
2. The service fees in respect of waste liquid and gas treatment and disposal will be determined with reference to the annual volume of the waste liquid and gas treated/disposed and the service fees calculated based on the staff costs and facility costs for the treatment and disposal of waste liquid and gas.
3. The service fees in respect of employee education, safety production and scientific research will be determined with reference to several factors, including the relevant costs incurred by CNNC and/or its associates in providing such services and the Group's business scale.
4. The rental fee for properties and equipment which are of industry-specific nature will be determined by the parties through fair negotiation based on the costs of the relevant services provided by CNNC and/or its associates, such as equipment depreciation and staff costs.

Historical Amounts: For each of the two years ended 31 December 2024 and the ten months ended 31 October 2025, the transaction amounts incurred under the 2023 Leasing Agreement are set out as follows:

Historical Amounts		
<i>(RMB million)</i>		
2023	2024	Ten Months Ended 31 October 2025
<i>(Audited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>
34.22	41.61	39.51

Proposed Annual Caps: The proposed annual caps for each of the three years ending 31 December 2028 for the Renewed Leasing Agreement are set out as follows:

Proposed Annual Cap for 2026	Proposed Annual Cap for 2027	Proposed Annual Cap for 2028
<i>(RMB million)</i>	<i>(RMB million)</i>	<i>(RMB million)</i>
100.00	100.00	100.00

The Basis for Annual Caps: The above annual caps are determined with reference to the following factors:

1. The current floor area of the properties and the types of equipment and facilities leased by the Company from CNNC and/or its associates.
2. The expected market price for the leased properties and equipment and the expected changes in market price after renewal of such leases.
3. The expected aggregated volume of the waste liquid and gas treated and/or disposed based on the Company's business development plan, the raising standard for waste liquid and gas emission in compliance with applicable environmental protection laws and regulations, and the increasing processing costs for the waste liquid and gas.
4. The Company's estimated demand for its production plants, equipment and related supporting services based on its business expansion and its estimated production capacity.
5. The costs for lease of production properties and equipment from CNNC and/or its associates and disposal of waste gas and liquid by HTA, CNGT, CNNC Qinshan Isotope and CNNC Tongxing, etc. are estimated to be RMB55 million per year. The costs for lease of research and development properties from CNNC and/or its associates are estimated to be RMB40 million per year.

RENEWAL OF THE CONTINUING CONNECTED TRANSACTIONS (II)

References are made to the announcements of the Company (i) dated 30 March 2023, in relation to, among others, the entering into of the 2023 Financial Services Agreement; (ii) dated 31 October 2023, in relation to, among others, the entering into of the 2023 Supply Agreement, the 2023 Purchase Agreement and the 2023 Engineering Construction Services Framework Agreement; and (iii) dated 30 August 2024, in relation to, among others, the revision of annual caps under the 2023 Engineering Construction Services Framework Agreement, the 2023 Supply Agreement and the 2023 Purchase Agreement.

As these agreements will expire on 31 December 2025, with a view to continuing the transactions thereunder, the Board of the Company has resolved to renew these agreements, and the Company has entered into the Renewed Agreements with CNNC on 11 December 2025 for a term of three years. The Renewed Agreements (including the proposed annual caps thereunder) are subject to the approval by the Independent Shareholders at the Company's general meeting.

I. Renewed Products and Services Supply Framework Agreement

Parties: CNNC (the purchaser); and
the Company (the supplier)

Principal Terms: The Company has entered into the Renewed Products and Services Supply Framework Agreement with CNNC on 11 December 2025, pursuant to which CNNC and its associates (excluding the Group) will purchase from the Group, and the Group will supply to CNNC and its associates (excluding the Group) the following products, i.e. radioisotopes, nuclear pharmaceuticals, nuclear medical equipment, radioactive source products, radioactive instruments and meters containing radioactive sources, integrated nuclear medicine solutions and other products, and the Group will also provide technical support and consulting services relating to product sales channels and customer resources, incidental services such as packaging, detection, recycling, transportation and reloading services related to the sales of such products, research services related to research and development projects, and other services.

Delivery and payment arrangement: The Group shall deliver or arrange for the delivery of the relevant products, or provide the relevant services, in accordance with the dates, quantities and batches (where applicable) as specified in the relevant specific agreements. The terms relating to the transfer of title, payment arrangements and credit period (where applicable) shall be set out in the relevant specific agreements.

The Board confirms that the payment terms to be agreed under the relevant specific agreements will be no less favourable to the Group than those available to/from independent third parties. In forming this view, the Board has taken into account the Group's established internal control system for continuing connected transactions, under which all payment arrangements (including payment schedule, settlement method and credit period) are subject to review and approval by the business, legal and finance departments in accordance with internal approval procedures, and are benchmarked, where appropriate, against the payment terms offered to independent customers and, where applicable, with reference to historical contractual terms agreed with independent customers and prevailing market settlement practices; and the audit and risk management committee, risk management department, independent non-executive Directors and the external auditor conduct ongoing monitoring and annual reviews of the overall terms (including payment arrangements and implementation) of continuing connected transactions. Having considered the above internal controls and supervisory measures, the Board considers that the relevant payment terms will be entered into on normal commercial terms and will be no less favourable to the Group than those available to/from independent third parties.

Term: The agreement will come into force on 1 January 2026 and expire on 31 December 2028, subject to renewal as may be agreed and negotiated upon by both parties.

Reasons for and benefits of the Transaction: The Group sells radioactive source products, radioisotopes, radioactive instruments and pharmaceuticals, comprehensive nuclear medicine solutions and pharmaceuticals, along with technical support and consulting services related to cobalt-60 radioactive source sales channels and customer resources to CNNC and/or its associates in its ordinary and usual business, as well as packaging, detection, recycling, transportation, reloading, and other services incidental to the sale of such products. Additionally, it offers research services related to research and development projects. For example, the Group sells isotope products to CNNC and/or its associates which are used in their engineering projects and radioactive products sold to their hospitals. The Group plays a critical role in the nuclear technology application business of CNNC and the research services provided by the Group to CNNC are expected to increase gradually in the next two years. As a result, resources could be gathered to facilitate the success of key research and development projects of CNNC, creating synergy effect of enhancing the competitiveness of both CNNC and the Group along the whole industrial chain.

Pricing Policy: The specific prices set by the Group for the sales of products to CNNC and its associates (excluding the Group) shall be determined by relevant parties through fair negotiation, and shall not be more favourable than those entered into between the Company and Independent Third Parties in the latest three months. The Company shall make reference to the historical prices of the products and the Group has established a standard pricing mechanism for each category of products and services. In determining the benchmark price, the Group first compiles cost information based on detailed cost components including raw materials, auxiliary materials, depreciation, labour, energy, administrative expenses and finance costs. On this basis, the Group applies either an average market profit margin or a cost-plus margin.

To determine the average market profit margin, the Group collects industry profit margin information from industry associations, publicly available financial statements of industry peers, market research reports and other reliable market sources. The Group typically adopts the mean or median of the profit margin range observed for comparable products or services as the reference profit margin. This benchmark is then adjusted, where appropriate, to reflect product characteristics and cost structure specific to the Group. Where the cost-plus method is applied, the Group determines the markup rate with reference to (i) the average market profit margin described above; (ii) historical profit margin levels achieved by the Group for similar products; and (iii) prevailing pricing practices of industry peers. The markup rate and corresponding standard pricing are reviewed and approved through internal procedures to ensure consistency and compliance.

The standard pricing for each category of products and services is reviewed at least annually. In addition, the Group will initiate an interim review and adjustment if there are significant changes in key cost elements, raw material price fluctuations, or material changes in industry pricing trends. The updated standard pricing applies equally to CNNC and/or its associates and Independent Third Parties.

Original Annual Caps, Historical Transaction Amounts and Utilisation Rates: The annual caps under the 2023 Supply Agreement for the three years ending 31 December 2025, the transaction amounts incurred and the utilization rates for each of the two years ended 31 December 2024 and the ten months ended 31 October 2025 are set out as follows:

	2023	2024	Ten Months ended 31 October 2025
	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>
Original Annual Caps (RMB million)	120	300	700
Historical Transaction Amounts (RMB million)	114.31	122.79	280.84
Historical Utilisation Rates	92.26%	40.93%	48.14% ⁽¹⁾

Note (1): Calculated pro rata using the original cap for the ten months ended 31 October 2025.

The relatively low utilization rates for the year ended 31 December 2024 and the ten months ended 31 October 2025 are due to the following reasons:

- a) The Company originally planned to acquire a target company in 2024. After the acquisition, it was expected that the target company would engage in transactions with CNNC and/or its close associates amounting to approximately RMB70 million and RMB300 million in 2024 and 2025, respectively. However, this proposed acquisition did not proceed; and
- b) The company originally planned to provide research services related to research and development projects to CNNC annually, but the relevant projects also failed to materialize.

Proposed Annual Caps: The proposed annual caps for each of the three years ending 31 December 2028 for the Renewed Supply Framework Agreement are set out as follows:

Proposed Annual Cap for 2026 <i>(RMB million)</i>	Proposed Annual Cap for 2027 <i>(RMB million)</i>	Proposed Annual Cap for 2028 <i>(RMB million)</i>
300.00	350.00	400.00

The Basis for Annual Caps: The above annual caps are determined with reference to the following factors:

1. The historical transaction amounts and market price (as applicable) of each type of materials and service and the relevant industry development trend.
2. The Company is the major supplier of certain types of radioactive sources for CNNC and its associates to build and operate nuclear power stations. Therefore, the Company will refer to the mid-term and long-term nuclear power development plan of the National Energy Administration to estimate CNNC's purchase demand for radioactive sources from the Company. It is expected that the amounts of radioactive source products to be purchased by CNNC from the Company in 2026 will be approximately RMB75 million. Based on the nuclear power development plan of the National Energy Administration for the year 2030, it is estimated that the amounts of radioactive sources to be purchased by CNNC and/or its associates from the Company will increase by approximately 10% per annum on average in the following three years. However, such estimate is subject to specific approval by the National Energy Administration on nuclear power stations each year.
3. Based on the historical amounts of the radioactive instruments and pharmaceuticals purchased by CNNC and/or its associates from the Company, the historical cost for importing radioactive instruments and cost of raw materials for pharmaceuticals, etc. in the past three years, the Company expects that the amount of radioactive instruments and pharmaceuticals to be purchased by CNNC and/or its associates from the Company will increase by approximately 10% per annum in the following two years.
4. Sales of the Company's nuclear pharmaceuticals and nuclear medical equipment to CNNC and its associates are expected to increase annually on an ongoing basis, and it is expected that the annual sales from 2026 to 2028 will be no less than RMB75 million.
5. The Company's provision of scientific research support to CNNC and its associates is expected to increase annually on an ongoing basis, and it is expected that the annual scientific research support service fees will be no less than RMB20 million.

II. Renewed Products and Services Purchase Framework Agreement

Parties: the Company (the purchaser); and

CNNC (the supplier)

Principal Terms: The Company has entered into the Renewed Products and Services Purchase Framework Agreement with CNNC on 11 December 2025, pursuant to which the Group will purchase from CNNC and its associates (excluding the Group), and CNNC and its associates (excluding the Group) will provide the Group: (i) various types of raw and ancillary materials, equipment and other products; (ii) transportation containers (including the designing and manufacturing services for transportation containers); (iii) technical services; (iv) Packaging, transportation, reloading, processing, and other ancillary services for the Company's products; (v) scientific research services related to research and development; and (vi) other services.

Delivery and payment arrangement: CNNC and its associates (excluding the Group shall deliver or arrange for the delivery of the relevant products, or provide the relevant services, in accordance with the dates, quantities and batches (where applicable) as specified in the relevant specific agreements. The terms relating to the transfer of title, payment arrangements and credit period (where applicable) shall be set out in the relevant specific agreements.

The Board confirms that the payment terms to be agreed under the relevant specific agreements pursuant to the Renewed Products and Services Purchase Framework Agreement will be no less favourable to the Group than those available to/from independent third parties. In forming this view, the Board has taken into account the Group's established internal control system for continuing connected transactions, under which material procurements are required to go through public tendering in accordance with the Group's internal procurement procedures, and for non-tendered procurements, the Group conducts structured price comparison and market testing by obtaining quotations from CNNC and/or its associates and independent suppliers to ensure market-based settlement terms; all proposed payment arrangements (including payment schedule, settlement method and credit period) are subject to review and approval by the procurement, legal and finance departments and benchmarked against those offered by independent suppliers; and the audit and risk management committee, risk management department, independent non-executive Directors and the external auditor conduct ongoing monitoring and annual reviews of the implementation of the continuing connected transactions (including payment arrangements and credit terms). Having considered the above internal controls and supervisory measures, the Board considers that the relevant payment terms will be entered into on normal commercial terms and will be no less favourable to the Group than those available to/from independent third parties.

Term: The agreement will come into force on 1 January 2026 and expire on 31 December 2028, subject to renewal as may be agreed and negotiated upon by both parties.

Reasons for and Benefits of the Transaction: Historically, CNNC and/or its associates have been the suppliers of raw and ancillary materials, production equipment, technical testing, and irradiation services to the Group in its ordinary course of business. CNNC has a leading position in the fields of nuclear materials processing, the production of nuclear production equipment, nuclear technology testing and irradiation research and development. As a result of the long-term cooperation between the Group and CNNC and/or its associates in this regard, CNNC and/or its associates have accumulated knowledge and understanding in the Company's business needs for the products and services. Therefore, the Directors of the Company are of the view that it is efficient for the Company to continue such transactions with CNNC and/or its associates and it is in the best interest of the Company and the Shareholders as a whole.

Pricing Policy: The Company will determine the purchase prices by taking into account the following factors comprehensively:

1. The costs for relevant products and services (including labor costs and material costs).
2. The market conditions learnt by the Group from suppliers (including CNNC and its associates (excluding the Group) and independent suppliers).
3. With respect to purchase and sales contracts with significant amounts, public tendering shall be conducted in accordance with the internal tendering procedures of the Group, and the final price shall be determined based on the results of such process. In determining whether the tendering process is required, the Group applies a structured internal procurement mechanism based on the nature and contract value of the products or services to be procured. Under the Group's procurement policies, (i) service procurements with a contract amount exceeding RMB1 million, (ii) material procurements with a contract amount exceeding RMB2 million, and (iii) engineering procurements with a contract amount exceeding RMB4 million must undergo public tendering in accordance with the Group's internal tendering procedures. The Group has established detailed internal rules governing the tendering process, including tender announcement, qualification review, bid evaluation and final determination, in order to ensure transparency, fairness and compliance with applicable requirements. For procurements below the relevant thresholds, the Group may select suppliers through fair negotiation, with pricing determined by reference to cost structure and prevailing market prices.

Original Annual Caps, Historical Transaction Amounts and Utilisation Rates: The annual caps under the Renewed Products and Services Purchase Framework Agreement for the three years ending 31 December 2025, the transaction amounts incurred and the utilization rates for each of the two years ended 31 December 2024 and the ten months ended 31 October 2025 are set out as follows:

			Ten Months ended 31 October 2025
	2023	2024	
	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>
Original Annual Caps (RMB million)	329	375	570
Historical Transaction Amounts			
<i>(RMB million)</i>	253.6	261.42	211.94
Historical Utilisation Rates	77.08%	69.71%	44.62%

Note (1): Calculated pro rata using the original cap for the ten months ended 31 October 2025.

The relatively low utilization rate for the ten months ended 31 October 2025 is due to the uncertainty in the outcome of tendering results. According to the Group's purchasing policies, some of the transactions under the purchase agreement must strictly comply with the public tendering process. Under the public tendering process, both the Company's connected persons and independent third parties shall participate in a market-oriented public tendering process. The final bid winner is entirely determined by objective evaluation factors, including the responsiveness of the bidding documents, the reasonableness of the quoted price, and the feasibility of technical solutions. Before the official announcement of the tendering results, the identity of the bid winner cannot be confirmed, leading to the uncertainty of the actual transaction amount of the Group.

Proposed Annual Caps: The proposed annual caps for each of the three years ending 31 December 2028 for the Renewed Purchase Framework Agreement are set out as follows:

Proposed Annual Cap for 2026	Proposed Annual Cap for 2027	Proposed Annual Cap for 2028
<i>(RMB million)</i>	<i>(RMB million)</i>	<i>(RMB million)</i>
500.00	570.00	700.00

The Basis for Annual Caps: The above annual caps are determined with reference to the following factors:

1. The historical transaction amounts concluded between the Company and CNNC and/or its associates during the track record period, including the historical procurement costs.
2. Expected changes in the price, supply, and demand of carbon-14 raw materials in the international market, as well as changes in the import costs of carbon-14 raw materials.
3. The Company's projected demand for cobalt-60 radiation sources at its eight existing irradiation stations, the Company's current inventory of cobalt-60 radiation sources, and the radioactivity of such cobalt-60 radiation sources.
4. Historical and projected sales prices and production costs (including raw material costs, labor costs, and production facility costs, etc.) for Co-60 radiation sources supplied by CNNC and/or its associates.
5. Production capacity for Co-60 radiation sources of CNNC and its associates.

6. With the continuous development of the Company's business in the future, it is expected that the Company's purchase demand for raw materials, scientific research services and technical services supplied by CNNC and its associates will continue to increase at a year-on-year growth rate of 10%, 15% and 20% respectively from 2026 to 2028.

III. Renewed Engineering Construction Services Framework Agreement

Parties: CNNC (the supplier); and
the Company (the purchaser)

Principal Terms: The Company has entered into the Renewed Engineering Construction Services Framework Agreement with CNNC on 11 December 2025, pursuant to which, CNNC and its associates (excluding the Group) will provide the following services to members of the Group: (i) engineering, procurement and construction services or construction services; (ii) equipment procurement, manufacturing or installation services; and (iii) engineering consultation services including but not limited to engineering consultation, management and supervision and survey and design.

Delivery and payment arrangement: CNNC and its associates (excluding the Group) shall deliver or arrange for the delivery of the relevant products, or provide the relevant services, in accordance with the dates, quantities and batches (where applicable) as specified in the relevant specific agreements. The terms relating to the transfer of title, payment arrangements and credit period (where applicable) shall be set out in the relevant specific agreements.

The Board confirms that the payment terms to be agreed under the relevant specific agreements pursuant to the Renewed Engineering Construction Services Framework Agreement will be no less favourable to the Group than those available to/from independent third parties. In making this assessment, the Board has considered that all proposed payment arrangements (including payment schedule, settlement method and credit period) are subject to the Group's established reporting, approval and review procedures applicable to continuing connected transactions; that for tendered projects, the payment arrangements must follow market-tested terms arising from the public tendering process; that for non-tendered projects, the payment arrangements will be reviewed against comparable independent transactions and prevailing market practices; and that the procurement, legal and finance departments, together with the audit, discipline supervision and risk management departments, conduct multi-level monitoring of the execution of payment terms, supplemented by the annual reviews of the independent non-executive Directors and the external auditor. Having regard to these internal control measures, the Board considers that the payment terms will be entered into on normal commercial terms and will be no less favourable to the Group than those available to/from independent third parties.

Term: The agreement will come into force on 1 January 2026 and expire on 31 December 2028, subject to renewal as may be agreed and negotiated upon by both parties.

Reasons for and benefits of the Transaction: The Group has invested in many construction projects throughout its rapid development. In particular, as the preliminary work of several base projects has been further promoted recently and such projects will enter the construction stage, the Group will conclude a large number of specific engineering construction service contracts in succession. The Group's construction projects require relatively complex radiation protection, and shall be completed by professional service providers with relevant qualifications and experience. The number of such service providers with relevant qualifications and experience in China is limited, the majority of which are CNNC and/or its associates. Therefore, it is very likely that the Group's engineering construction services will be eventually provided by CNNC and/or its associates by whatever means the Group selects engineering construction service providers. In addition, according to the Bidding Law of the PRC, the tenderer and the successful bidder shall enter into a written contract within 30 days from the date of issuing the letter of acceptance. Therefore, the Company shall enter into the Renewed Engineering Construction Services Framework Agreement in advance and implement the annual caps thereunder.

Pricing Policy: The following factors shall be comprehensively considered in determining the specific price under the Renewed Engineering Construction Services Framework Agreement: (1) the cost for relevant products and services (including labor costs and material costs); (2) the market conditions learnt by the Group from suppliers (including CNNC and its associates and independent suppliers); and (3) with respect to purchase and sales contracts with significant amounts, public tendering shall be conducted in accordance with the internal tendering procedures of the Group, and the final price shall be determined based on the results of such process. In the case of selecting construction services providers through tendering process, the Company will determine whether the services will be provided by CNNC and/or its associates based on the results of such process, and the contract price shall be the award price; In the case of selecting construction services providers other than through tendering process, the Company will determine that the services will be provided by CNNC and/or its associates after evaluation and review, and the contract price will be determined through negotiations (such price shall not violate laws, regulations and relevant national requirements).

Original Annual Caps, Historical Transaction Amounts and Utilisation Rates: The annual caps under 2023 Engineering Construction Services Framework Agreement for the three years ending 31 December 2025, the transaction amounts incurred and the utilization rates for each of the two years ended 31 December 2024 and the ten months ended 31 October 2025 are set out as follows:

	Ten Months ended 31 October 2025		
	2023 <i>(Audited)</i>	2024 <i>(Audited)</i>	2025 <i>(Unaudited)</i>
Original Annual Caps (RMB million)	800	550	550
Historical Transaction Amounts <i>(RMB million)</i>	391.68	296.67	106.93
Historical Utilisation Rates	44.51%	53.94%	23.33% ⁽¹⁾

Note (1): Calculated pro rata using the original cap for the ten months ended 31 October 2025.

The relatively low utilization rates for the two years ended 31 December 2024 and the ten months ended 31 October 2025 are due to the following reasons:

- a) **The uncertainty in the outcome of tendering results.** According to the PRC laws and regulations, the construction projects must strictly comply with relevant tendering process, and public tendering method should be adopted to determine cooperative partners. Under the public tendering process, both the Company's connected persons and independent third parties shall participate in market-oriented public tendering process. The final bid winner is entirely determined by objective evaluation factors, including the responsiveness of the bidding documents, the reasonableness of the quoted price, and the feasibility of technical solutions. Before the official announcement of the tendering results, the identity of the bid winner cannot be confirmed, leading to the uncertainty of the actual transaction amount of the Group;
- b) **The delay of certain implemented projects due to construction progress.** Although some projects haven been implemented, the actual construction progress of such projects was slower than originally planned due to multiple objective factors, including but not limited to equipment adjustment, the obtaining of radiation safety certificates and GMP certifications. The actual transaction amounts were affected by the uncertainty in project payment schedules which is determined by the construction progress.
- c) **The delay of certain projects due to industry and market factors.** Certain projects were initially planned to complete the approval, preliminary work, and commencement of construction within the year, however, due to external factors such as adjustments to industry policies, changes in market conditions, and market competition, the evaluation for such projects were extended. To ensure investment returns and construction quality, the Company needs to conduct further market research, risk assessments, and other evaluation activities, resulting in delays in project approval and commencement timelines.

Proposed Annual Caps: The proposed annual caps for the Renewed Engineering Construction Services Framework Agreement for each of the three years ending 31 December 2028 are set out as follows:

Proposed Annual Cap for 2026 (RMB million)	Proposed Annual Cap for 2027 (RMB million)	Proposed Annual Cap for 2028 (RMB million)
1,100.00	1,400.00	1,300.00

The Basis for Annual Caps: The above proposed annual caps are determined by reference to the following factors:

- a) taking into account the project arrangement under the Company's "15th Five-Year Plan", it is expected that the cumulative investments in the construction of the Company's medical bases (including the North China Pharmaceutical Base, East China Pharmaceutical Base, South China Pharmaceutical Base and others), the construction of radioactive source bases (including Jiajiang Radioactive Source Base and others) and the construction of isotope bases (including the second phase of the Tongcheng Project and others) from 2026 to 2028 will be approximately RMB400 million, RMB150 million and RMB200 million, respectively. The Company is strengthening its nationwide pharmaceutical center network, with 10 pharmaceutical centers currently under construction. Concurrently, as the Company's business continues to expand, new projects will be deployed; and
- b) the Company's expectation of the total investment of engineering projects for the three years ending 31 December 2028.

Implementation of the Agreement

The Renewed Engineering Construction Services Framework Agreement is a framework agreement between the Company and CNNC in connection with the provision of engineering construction services by CNNC and/or its associates to the Group, and does not constitute a specific engineering construction services agreement. The parties will conclude separately specific engineering construction services agreements according to the principles under the Renewed Engineering Construction Services Framework Agreement, and confirm specific engineering construction services in writing. Subject to the terms of the Renewed Engineering Construction Services Framework Agreement, all specific engineering construction services agreements shall be concluded on a fair and reasonable basis, and define specific terms and conditions including specification requirements, and other terms including the prices of products and services, and the delivery time, etc.

IV. Renewed Financial Services Framework Agreement

Parties: the Company (the service receiver); and
CNNC (the service provider).

Principal Terms: The Company will enter into the Renewed Financial Services Framework Agreement with CNNC, pursuant to which CNNC and/or its associates will provide the Group with, among other things:

- (i) **Deposit Services:** CNNCFC will accept demand deposits, time deposits or other compliant deposit products placed by the Group, with interest payable based on agreed deposit rates;
- (ii) **Settlement, Entrusted Loan and Other Financial Services:** CNNCFC will provide payment settlement, fund transfer and clearing services. For entrusted loans, CNNCFC will administer loans granted by the Group to designated borrowers in accordance with PRC regulations. Other services may include account management, fund custody and other permitted financial support services;

- (iii) Financial Leasing Services: CNNC Financial Leasing will provide finance lease arrangements for assets used by the Group, under which the Group pays rental over the lease term;
- (iv) Factoring Services: CNNC Factoring will provide factoring services in respect of the Group's trade receivables, including the purchase, management or collection of receivables, to improve working capital turnover; and
- (v) Asset Securitization Services: CNNC Factoring may assist the Group in structuring and implementing securitization transactions involving eligible asset pools for funding or asset optimisation purposes in compliance with applicable PRC laws.

The parties shall, based on the principles set out in the Renewed Financial Services Framework Agreement, enter into separate specific financial services agreements to confirm the specific financial services in writing. All such specific financial services agreements shall be entered into on a fair and reasonable basis, be subject to the terms of this Agreement, and clearly set out the specific terms and conditions, including the amount, term, interest rate and service fees.

The Board confirms that the payment terms to be agreed under the relevant specific financial services agreements (including interest rates, service fees, settlement arrangements and repayment schedules) will be no less favourable to the Group than those available to from independent third parties. In making this assessment, the Board has taken into account the Group's established internal control system for continuing connected transactions, under which the finance department reviews and approves all proposed financial service arrangements with reference to market interest rates, benchmark pricing offered by major PRC commercial banks and the creditworthiness of counterparties; the finance, legal and risk management departments closely monitor the implementation of payment terms under deposits, entrusted loans, settlement services, financial leasing and factoring, including reviewing CNNCFC's financial indicators and periodically collecting the transaction amounts incurred under each category of connected transactions; independent non-executive Directors scrutinise and vote exclusively on matters under the Renewed Financial Services Framework Agreement and may request adjustments to deposit levels or entrusted loans where appropriate; and the external auditor conducts annual reviews to ensure compliance with pricing policies and the Listing Rules. Having considered the above internal control and supervisory measures, the Board considers that the payment terms under the specific financial services agreements will be entered into on normal commercial terms and will be no less favourable to the Group than those available to/from independent third parties.

Term: The Renewed Financial Services Framework Agreement will come into force on 1 January 2026 upon approval of the Independent Shareholders at the general meeting, and expire on 31 December 2028.

Under the Renewed Financial Services Framework Agreement, CNNC and/or its associates have agreed to provide the Group with the financial services pursuant to the following principal terms:

- a) other than the services provided by CNNC and/or its associates under the Renewed Financial Services Framework Agreement, the Group may obtain financial services from other financial institutions;
- b) any counterparty may not terminate the Renewed Financial Services Framework Agreement unilaterally; and
- c) after the termination of the Renewed Financial Services Framework Agreement, the Group has the right to withdraw its deposits with CNNC and/or its associates immediately.

Reasons for and benefits of the Transaction: PRC laws do not permit companies, including subsidiaries and associates, other than regulated financial institutions, to extend intra-group loans directly. Any such loan must be directed through a regulated financial institution. CNNCFC is a non-banking financial institution approved and regulated by the People's Bank of China and the China Banking Regulatory Commission, and is authorized to provide various kinds of financial services to CNNC and its member companies in the PRC, including deposit-taking and loan services. CNNCFC, a non-bank financial company and a subsidiary of CNNC, has deep understanding of the industry characteristics, capital structures, business operations, financing needs, cash flow patterns and the entire financial management system of the Group through its previous cooperation with the Company. It provides services to the Group on equal or better commercial terms compared to those offered by other external independent commercial banks. In addition, as it is a major clearing and settlement platform of CNNC and its associates, using the services from CNNCFC enables the Company to reduce costs, maximize efficiency and benefit from the capital pool managed by CNNC.

Pricing Policy: The pricing policy under the Renewed Financial Services Framework Agreement is as follows:

- a) **Deposit Services:** The deposit interest rates shall not be lower than (i) the deposit interest rates of a similar category of deposit in the same period promulgated by the People's Bank of China; or (ii) the public interest rates of a similar category of deposit in the same period provided by major commercial banks in the PRC.

In determining the applicable rates, the finance department will review the PBOC benchmark deposit rates for deposits of the same category and tenor and compare them with the publicly available deposit rates offered by major independent commercial banks in the PRC. The finance department will collect such benchmark data and prepare an internal comparison of the proposed rates against these market references. This mechanism ensures that the deposit interest rates offered by CNNCFC are aligned with, and in any event not lower than, prevailing market rates.

- b) Settlement, Entrusted Loan and Other Financial Services: The fees payable to CNNCFC for the Settlement, Entrusted Loan and Other Financial Services will be determined with reference to the market rates of similar services promulgated by the People's Bank of China and, will be equal to or more favorable than the rates offered by major independent commercial banks in the PRC under the same conditions.

In assessing the appropriateness of the proposed fees, the finance department will review market-based tariff schedules, consider the borrower's credit profile, loan tenor and intended use of proceeds, and ensure that the fees offered by CNNCFC are equal to or more favourable than those charged by independent banks under comparable conditions. The proposed fees will then undergo internal approval procedures, including verification by the finance department, to ensure that the pricing terms reflect normal commercial terms.

- c) Financial Leasing Services: The Financial Leasing Services fees to be charged by CNNC and/or its associates will be equal to or more favorable than the fees of relevant services offered by other domestic financial leasing institutions in the PRC under the same conditions.

The Group will obtain quotations from independent financial leasing companies for similar asset types and lease tenors, compare these with the rates proposed by CNNC, and assess the fee levels in light of the asset characteristics, depreciation profile and associated risks. Only after confirming that the proposed leasing fees are equal to or more favourable than market comparables will the Group proceed to internal review and approval of the specific leasing arrangement.

- d) Factoring Services: The factoring services fees to be charged by CNNC and/or its associates will be equal to or more favorable than the fees of relevant services offered by other domestic factoring institutions in the PRC under the same conditions.

In evaluating whether the factoring fee proposed by CNNC and/or its associates is appropriate, the Group will assess the nature of the receivables, the creditworthiness of the underlying debtor, whether the factoring arrangement is with or without recourse, and the expected recovery period. The Group will ensure, through internal verification and approval, that the factoring fee is no higher than the fees typically charged by independent factoring providers under similar conditions.

- e) Asset Securitization Services: The asset securitization services fees to be charged by CNNC and/or its associates will be equal to or more favorable than the fees of relevant services offered by other domestic asset securitization institutions in the PRC under the same conditions.

The Group will evaluate the proposed fees by considering the size and composition of the asset pool, asset quality, transaction structure, necessary credit enhancement, and expected rating outcomes. The Group will confirm, through market comparison and internal approval procedures, that the securitization service fees are equal to or more favourable than those charged by independent institutions for comparable securitization transactions.

The Board is of the view that the pricing mechanisms described above are sufficient to ensure that the interest rates and service fees to be agreed under the specific financial services agreements will be no less favourable to the Group than those available to or from independent third parties. In forming this view, the Board has taken into account that the pricing mechanisms require benchmarking against objective, transparent and publicly available market rates, that each proposed pricing term must undergo internal verification by the finance department prior to approval, and that the Group's internal control, monitoring and review procedures, including oversight by independent non-executive directors and annual review by the external auditor, provide additional safeguards to ensure compliance with market standards. Having considered these factors, the Board confirms that the pricing terms under the Renewed Financial Services Framework Agreement will be fair and reasonable and consistent with normal commercial terms.

Historical Amounts: For each of the two years ended 31 December 2024 and the ten months ended 31 October 2025, the transaction amounts incurred under 2023 Financial Services Agreement are set out as follows:

Nature of the transaction	Historical Amounts <i>(RMB million)</i>		
	2023 <i>(Audited)</i>	2024 <i>(Audited)</i>	Ten Months Ended 31 October 2025 <i>(Unaudited)</i>
• Deposit Services			
(a) Maximum outstanding daily balance	2,517.09	2,577.55	2,500.41
(b) Interest income	27.20	27.18	10.74
• Settlement, Entrusted Loans and Other Financial Services			
(a) Maximum daily outstanding balance of entrusted loans provided by the Group through CNNCFC	692.94	521.19	484.52
(b) Service fees for settlement, entrusted loans and other financial services	0.02	0.02	0.002
• Finance Leasing Services	10.04	2.81	0.71
• Factoring Services	0	0	0
• Asset Securitization Services	0	0	0

Original Annual Caps and Utilisation Rates: The annual caps under 2023 Financial Services Agreement for the three years ending 31 December 2025 and the utilization rates for each of the two years ended 31 December 2024 and the ten months ended 31 October 2025 are set out as follows:

Nature of the transaction	Original Annual Caps (RMB million)			Utilisation Rates Ten Months ended 31 October 2025 ⁽¹⁾		
	2023	2024	2025	2023	2024	2025 ⁽¹⁾
• Deposit Services						
(a) Maximum outstanding daily balance	5,000	5,000	5,000	50.34%	51.55%	60.01%
(b) Interest income	50	100	100	54.40%	27.18%	12.89%
• Settlement, Entrusted Loans and Other Financial Services						
(a) Maximum daily outstanding balance of entrusted loans provided by our Group through CNNCFC	1,000	1,000	1,000	69.29%	52.12%	58.14%
(b) Service fees for settlement, entrusted loans and other financial services	0.075	0.15	0.15	26.67%	13.33%	1.60%
• Finance Leasing Services	250	250	250	4.02%	1.12%	0.34%
• Factoring Services	1,000	1,000	1,000	0.00%	0.00%	0.00%

Note (1): Calculated pro rata using the original cap for the ten months ended 31 October 2025.

The relatively low utilization rates under the 2023 Financial Services Agreement are due to the following reasons:

- a) **Deposit Services.** The proposed sizable equity financing of subsidiaries of the Company did not proceed as expected, and the Group's various fixed asset investments and research and development investments involved substantial amounts, resulting a relatively low utilisation rate. The annual caps serve as the maximum permitted limit rather than the expected annual transaction amount, which provide the necessary flexibility for the Group's potential business development and short-term fund allocation. The decline in interest income is mainly attributed to factors such as adjustments to monetary policy of the PRC and the narrowing of banks' net interest margins.

- b) **Settlement, Entrusted Loans and Other Financial Services.** The abilities of subsidiaries of CNNC to obtain external bank loan have been enhanced over the last three years, resulting in a relatively low balance of entrusted loans. After June 2025, the State-owned Assets Supervision and Administration Commission and CNNC have implemented more strict requirements for gearing ratio and it is recommended that subsidiaries of CNNC prioritize the use of funds through entrusted loans within the group, instead of external bank loans, which needs a certain amount of entrusted loans to be reserved. The relatively low balance of entrusted loans and a relatively low service fee rate over the three years resulted a relatively low utilisation rate of the original annual caps for service fees for settlement, entrusted loans and other financial services.
- c) **Finance Leasing Services.** During the historical period, the Group's ability to obtain external bank loans improved, and bank loan interest rates were lower than those of financing leases, leading to a decrease in the use of financing lease loans. In late 2025, HTA, a subsidiary of the Company, strengthened its cooperation with CNNC Financial Leasing, successfully reducing the financing costs of financing leasing services. As the Group's negotiating power continues to improve, the financing leasing services is expected to continuously develop over the next three years.
- d) **Factoring Services.** The proposed accounts receivable factoring-related businesses in respect of the Group's trade receivables is an emerging business for the Group, and both the Group and CNNC Factoring have been conducting a prudent evaluation of the business model and collaboration method. The first transaction is expected to be launched in December 2025, and the transaction amount is expected to be steadily increasing once the business model matures.

Proposed Annual Caps: The proposed annual caps for the three years ending 31 December 2028 for the Renewed Financial Services Framework Agreement are set out as follows:

Nature of the transaction	Proposed Annual Cap for 2026 (RMB million)	Proposed Annual Cap for 2027 (RMB million)	Proposed Annual Cap for 2028 (RMB million)
• Deposit Services			
(a) Maximum outstanding daily balance	5,000.00	5,000.00	5,000.00
(b) Interest income	100.00	100.00	100.00
• Settlement, Entrusted Loans and Other Financial Services			
(a) Maximum daily outstanding balance of entrusted loans provided by the Group through CNNCFC	1,000.00	1,000.00	1,000.00
(b) Service fees for settlement, entrusted loans and other financial services	0.15	0.15	0.15
• Finance Leasing Services	250.00	250.00	250.00
• Factoring Services	1,000.00	1,000.00	1,000.00
• Asset Securitization Services	1,000.00	1,000.00	1,000.00

The Basis for Annual Caps: The above proposed annual caps are determined by reference to the following factors:

- a) Deposit Services: the Company mainly refers to, among other things, (i) the actual amount of deposits and interest income of the Group with CNNCFC incurred for the two years ended 31 December 2024 and the ten months ended 31 October 2025; (ii) the net cash inflow of the Group for the two years ended 31 December 2024 and the ten months ended 31 October 2025; (iii) as the Company is developing and growing, it conducts more financing through the capital market instruments, and (iv) the Company intends to transfer part of its existing cash reserves to CNNCFC due to the higher interest rate offered by CNNCFC with reference to prevailing market rates.

As at 30 June 2025, the Group's cash and cash equivalents amounted to approximately RMB2,693 million. Having considered the Group's funding position, the Board is of the view that the proposed annual cap of RMB5,000 million is fair and reasonable. In forming this view, the Board notes that the period-end cash balance represents only the Group's liquidity position at a specific point in time and does not reflect the potential short-term funding scale that may arise from future financing activities and centralised treasury management. The Group may undertake sizeable equity or bond financings in the future, and before the proceeds are deployed to their designated projects or business purposes, the Group may hold a substantial amount of temporarily idle funds. Such short-term concentrations of funds could be significantly higher than the period-end cash balance and therefore require a higher annual cap to provide adequate flexibility for liquidity management. The Board has also considered that any utilisation of financial services under the Renewed Financial Services Framework Agreement will be subject to strict internal approval, credit assessment and ongoing risk monitoring procedures. In addition, the Group retains the ability to place funds with independent licensed commercial banks to maintain diversification in treasury operations. Taking into account the above factors, the Board considers that the proposed annual cap will provide the Group with the necessary flexibility to support future financing arrangements and business development, that the associated risks are properly controlled, and that the proposed annual cap is appropriate, fair and reasonable and in the interests of the Company and its shareholders as a whole.

- b) Settlement, Entrusted Loans and Other Financial Services: the Company mainly refers to, among other things, (i) for the two years ended 31 December 2024 and the ten months ended 31 October 2025, the maximum daily outstanding balance of entrusted loans provided by the Group to relevant parties through CNNCFC, and the service fee charged by CNNCFC; (ii) the expected payment of continuing contracts and new contracts from 1 January 2026 to 31 December 2028, among which, the Group is negotiating with CNNCFC on an entrusted loan plan with an expected amount of approximately RMB900 million; (iii) that the Company intends to use part of the funds raised in the capital market to issue entrusted loans through CNNCFC for provision of funding for the business and development of its subsidiaries; (iv) the projected business volume of the Group from 1 January 2026 to 31 December 2028; and (v) the historical fee amounts charged by CNNCFC for cash settlement for the two years ended 31 December 2024 and the ten months ended 31 October 2025.
- c) Financial Leasing Services: the Company mainly refers to: (i) the expected increase in assets required for its irradiation and radiopharmaceuticals business; and (ii) the expected rental payable by the Group for such assets from 1 January 2026 to 31 December 2028.

- d) Factoring Services: In accordance with the Company's "15th Five-Year Plan" projects, to support the achievement of strategic objectives and address significant capital requirements during the period, the Company is actively collaborating with CNNC Factoring to develop accounts receivable factoring-related businesses. This initiative aims to diversify financing channels and optimize existing assets. Concurrently, as the Company's accounts receivable scale continues to grow alongside revenue expansion, accounts receivable factoring operations are projected to increase steadily in the future. As at 30 June 2025, the accounts receivable balance of the Group was approximately RMB4,747 million, and the proportion of accounts receivable factoring business is expected to account for 20% of the trade receivables annually.
- e) Asset Securitization Services: HTA, the Company's subsidiary, is currently negotiating in intellectual property ABS business with CNNC Factoring and currently formulated a plan with an expected amount of RMB150 million. Once this business is successfully launched and demonstrates its effectiveness, other subsidiaries are expected to follow suit. As a result, asset securitization services between the Company and its connected persons and CNNC Factoring are expected to increase continuously in the future.

For the two financial years ended 31 December 2024 and the ten months ended 31 October 2025, the Group did not conduct any transactions relating to Asset Securitization Services, nor did it engage in any factoring transactions with CNNC Factoring. Such historical non utilisation reflects the Group's previous financing and treasury practices, rather than the absence of future applicability of these services.

In December 2025, the Group commenced a factoring transaction of approximately RMB100 million with CNNC Factoring. In addition, one of the Company's subsidiaries has developed, in close coordination with CNNC Factoring, an asset securitization plan with an expected scale of approximately RMB150 million, which is anticipated to be implemented in the near term. As these financing models become established within the Group, other subsidiaries are expected to adopt similar arrangements as part of their future financing and liquidity management.

In determining the proposed annual caps, the Board has taken into account (i) the scale of the factoring and asset securitization projects already initiated or expected to be launched shortly; (ii) the Group's foreseeable working capital and financing needs, including the potential use of such tools to improve liquidity and asset efficiency; and (iii) that any utilisation will remain subject to strict internal approval, credit assessment and ongoing risk monitoring procedures.

Having considered the above factors, the Board believes that, notwithstanding the limited historical utilisation, the proposed annual caps provide appropriate flexibility to support the Group's future financing arrangements and business development, that the associated risks are adequately controlled, and that the annual caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Internal Control System for Continuing Connected Transactions under the Renewed Leasing Agreement, Renewed Products and Services Supply Framework Agreement and the Renewed Products and Services Purchase Framework Agreement

The Company has established (1) the reporting, approval and, if necessary, selection and verification procedures, to ensure that the agreed prices and terms of the continuing connected transactions are no less favourable than those that may be granted by the relevant members of the Group to Independent Third Parties or be granted by Independent Third Parties to the relevant members of the Group (if applicable), and are in compliance with the pricing policies; and (2) the procedures and policies for the purpose of identifying the connected persons and monitoring the annual caps of continuing connected transactions.

The Company has established a series of procedures and internal control measures in order to ensure that the pricing mechanism and terms of the transactions are fair and reasonable and no less favourable than the terms provided by any Independent Third Party, so as to ensure that they serve the interests of the Company and its Shareholders as a whole. Such procedures and internal control measures mainly include:

- a) The transactions contemplated under these Renewed Agreements are conducted on a non-exclusive basis.
- b) The Company has adopted internal control rules such as the Connected Transaction Management Measures.
- c) The audit and risk management committee of the Board is responsible for formulating and overseeing the internal control systems for the connected transactions, negotiating and signing various connected transaction agreements, regularly monitoring and reviewing the implementation of connected transactions (including but not limited to the implementation of agreed pricing policies and transaction amounts, etc.), regularly reviewing the Group's internal control systems for the connected transactions and offering proposals for modification, annually organising the training of connected transactions across the Group and periodically conducting supervision and inspection of the connected transactions, etc.
- d) Each subsidiary of the Group has established its audit and risk management committee, which is in charge of the pricing of the continuing connected transactions and required to strictly observe the pricing principles and policies for the continuing connected transactions disclosed in this announcement to set the price for each transaction.
- e) Under the leadership of the audit and risk management committee, the Company's internal control and risk management departments conduct regular assessments on the internal control measures of the Company on an annual basis, in order to check the completeness and effectiveness of the internal control measures in respect of connected transactions. Further, the legal departments conduct prudent review of the connected transaction contracts, the financial departments control pricing of the connected transactions and the contract implementation departments monitor the transaction amounts in a timely manner.

- f) The Company carries out connected transactions in accordance with the internal control process, and requires all of its subsidiaries to submit implementation reports of connected transactions on a monthly basis. The Company consolidates, reviews, sums up and analyses the data, and monitors whether the transaction amounts are within the annual caps under each continuing connected transaction, and recommends improvement measures for any issues identified.
- g) The Board reviews the implementation of the continuing connected transactions on an annual basis and reviews the financial reports which consist of the implementation of the continuing connected transactions on a half-yearly basis. Matters reviewed mainly include: whether the Company and relevant connected person performed the continuing connected transaction agreement during the relevant year or half-year; whether the transaction amounts incurred between the Company and the relevant connected person are within the annual caps under the connected transactions as approved at the general meeting. The independent non-executive Directors report to the general meeting on an annual basis on their performance of duties. Such reports include opinions on (i) whether the transaction amounts incurred are within the annual caps under the continuing connected transactions as approved at the general meeting; (ii) whether the continuing connected transactions are conducted pursuant to the agreements; and (iii) whether the terms of the continuing connected transactions are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and in the interests of the Shareholders of the Company as a whole.
- h) The audit committee of the Company reviews annual financial reports, annual reports, interim financial reports and interim reports which consist of the implementation of the continuing connected transactions and opines on the connected transactions during the reporting periods on such matters as the fairness and justice of the connected transactions and whether the transaction amounts incurred are within the annual caps under the continuing connected transactions.
- i) The external auditor of the Company conducts interim and year-end audit for each financial year, issues its opinions and letters to the Board of the Company in relation to the implementation of the pricing policies under the continuing connected transactions and whether the transaction amounts incurred are within the annual caps under the continuing connected transactions during the preceding year pursuant to the Listing Rules and submits the same to the Stock Exchange.

In respect of the products and services under the Renewed Products and Services Supply Framework Agreement, the prices paid by CNNC and/or its associates to the Group shall not be more favorable than those offered by the Group to Independent Third Parties. The Company will closely monitor each transaction through the internal control measures disclosed above. The Group has established rules to implement standard pricing for each product or service that applies equally to CNNC and/or its associates and Independent Third Parties. For each transaction, the legal departments of the Group's subsidiaries will compare, among other things, the prices offered to CNNC and/or its associates in contracts with those offered to Independent Third Parties, and ensure that the prices offered to CNNC and/or its associates are not more favorable. The dedicated personnel responsible for pricing continuing connected transactions at each subsidiary of the Group will strictly adhere to the price for each transaction.

In respect of the products and services under the Renewed Leasing Agreement and the Renewed Products and Services Purchase Framework Agreement, if the Company chooses suppliers through tendering process, the tendering process will be managed by the Group so as to strictly follow the rules and requirements of the Bidding Law of the PRC, and in the case other than through tendering process, the Group will set up different measures to encourage competition among potential suppliers including CNNC and/or its associates and independent suppliers. Potential suppliers will be invited to submit fee quotations separately and independently and the Group will normally require several rounds of fee quotations to reduce prices. CNNC and/or its associates and independent suppliers will be treated fairly. If the Company chooses suppliers without conducting tendering process, the purchase price payable to CNNC and/or its associates by the Group shall be determined by the parties through fair negotiation with reference to the cost of the relevant products and services (including labor costs and material costs) and the prevailing market price. Save for products or services that can only be supplied by connected persons in the relevant market, the Group will generally benchmark the proposed pricing against no fewer than two similar transactions or comparable quotations from Independent Third Parties, so as to ensure sufficient market comparison. Depending on the type of product or service, the Company will contact its suppliers (including CNNC and/or its associates and independent suppliers) at least once a year to understand the market conditions. For each transaction, the legal department of each subsidiary of the Group will compare, among the others, the price offered by CNNC and/or its associates in the contract and the price offered by Independent Third Parties and ensure that the price offered by CNNC and/or its associates is not less favourable. The specific personnel in charge of the pricing of the continuing connected transactions in each subsidiary of the Group will strictly follow the price set for each transaction.

Save for products or services that can only be supplied by connected persons in the relevant market, the Group will generally benchmark the proposed pricing against no less than two similar transactions or comparable quotations from Independent Third Parties, so as to ensure sufficient market comparison.

By implementing the above internal control measures and procedures, the Directors are of the view that the Company has established sufficient internal control measures to ensure the pricing of each transaction under the Renewed Leasing Agreements, Renewed Supply Framework Agreement and the Renewed Purchase Framework Agreement is conducted in strict accordance with the various pricing principles and policies of continuing connected transactions as disclosed, on normal commercial terms or better, and will be fair and reasonable to the Company and the Shareholders as a whole.

Internal Control System for Continuing Connected Transactions under the Renewed Engineering Construction Services Framework Agreement

The Company has established (1) the reporting, approval and, if necessary, selection and verification procedures to ensure that the agreed prices and terms of the continuing connected transactions are no less favourable than those that may be granted by the relevant members of the Group to Independent Third Parties or be granted by Independent Third Parties to the relevant members of the Group (if applicable), and are in compliance with the pricing policies; and (2) the procedures and policies for the purpose of identifying the connected persons and monitoring the annual caps of continuing connected transactions.

- (i) Where tendering process is necessary under applicable laws, regulations and rules, the Group will organise public tendering process in accordance with the Company's internal tendering rules, including issuing tendering announcement, reviewing qualification of bidders, formulating tendering review committee, bid opening, bid reviewing, public disclosure and bid determination. The Group will consider qualification, experience and bid price of suppliers to decide the bid winner, and will determine the final price based on the results of such process.
- (ii) where tendering process is not necessary under applicable laws, regulations and rules, the Group will negotiate with CNNC and/or its associates and independent suppliers separately. The prices shall be determined upon negotiation according to the aggregated amount of the total actual costs for providing the relevant services, reasonable profits and taxes. Where possible, the management will consider at least two comparable transactions with independent suppliers for the same period when determining the reasonable profit of any services under the Renewed Engineering Construction Services Framework Agreement.

The Group's construction projects require relatively complex radiation protection requirements, and shall be completed by professional service providers with relevant qualifications and experience. The number of such service providers with relevant qualifications and experience in China is limited, and the majority of which are CNNC and/or its associates. The Group will invite CNNC and/or its associates with relevant qualifications as well as qualified independent suppliers to attend the public tendering process or negotiate with CNNC and/or its associates with relevant qualifications as well as qualified independent suppliers.

The Company has formulated a series of procurement policies to manage procurement process and reduce cost. The tendering process will be managed by the Group to strictly follow the rules and requirements of the Bidding Law of the PRC, and in the case other than through tendering process, the Group will set up different measures to encourage competition among potential suppliers including CNNC and/or its associates and independent suppliers. CNNC and/or its associates and independent suppliers will be treated fairly.

The Company will regularly contact its suppliers (including CNNC and/or its associates and independent suppliers) to understand the market conditions. The audit and discipline supervision departments will monitor the whole process, and the legal departments of the Group will negotiate contractual terms with suppliers.

Given the Group has established above procurement measures, the Directors are of the view that the pricing policy under the Renewed Engineering Construction Services Framework Agreement can ensure that the transactions will be conducted on normal commercial terms.

Internal Control System for Continuing Connected Transactions under the Renewed Financial Services Framework Agreement

The Company has formulated its rules and regulations, including the Financing Management Measures of China Isotope & Radiation Corporation and the Financial Management System of China Isotope & Radiation Corporation, to safeguard against funding risks, strengthen its internal financial management, regulate financing activities, and meet the capital requirements of its development. The Company has set up an integrated management system on targeting, assessment and incentives. The Company adheres to the principle of financing at the Group level, and adopts the integrated management system for investment and financing. The Company adheres to the principles of proper scale and reasonable structure, and strikes a balance between costs and risks.

When providing entrusted loans to connected persons (whether through CNNCFC or otherwise), the Company will consider the interest rate, processing fees, term and use of loan and credit worthiness of the ultimate borrower, based on principles of reasonable return, cost control and risk control. The entrusted loan agreements (setting out the interest rate, processing fees, term and use of loan) shall first be approved by the finance department of the Company and then submitted to the legal representative for signing and approval. In addition, the finance department of the Company will be responsible for closely monitoring such ongoing continuing connected transactions and will submit matters to the Board for consideration as appropriate.

At the end of each quarter, the Company will request CNNCFC to provide sufficient information, including various financial indicators such as the status of the Company's deposits and interest income, charges on entrusted loans and rental of financial leasing, as well as annual and interim financial statements, to enable the Company to understand and review the financial condition of CNNCFC. CNNCFC shall notify the Company, subject to compliance with applicable laws and regulations, should it have any judicial, legal or regulatory proceedings or investigations which are reasonably likely to have a material impact on its financial condition. If the Company considers that there is any material adverse change in the financial condition of CNNCFC, the Company will take appropriate measures (including early withdrawal of deposits, termination of entrusted loans and a moratorium on further deposits and entrusted loans) to protect its financial position.

The independent non-executive Directors will independently scrutinize the implementation and enforcement of the transactions under the Renewed Financial Services Framework Agreement. Only independent non-executive Directors may vote in respect of matters under the Renewed Financial Services Framework Agreement. If the majority of the independent non-executive Directors reasonably consider that it would be in the Company's interests to reduce the level of deposits with CNNCFC or entrusted loans to connected persons, the Company will take appropriate steps to implement the decision of its independent non-executive Directors. Any material findings in the analysis reports, the views of the independent non-executive Directors on the deposits, settlement, entrusted loans and other financial services, finance leasing and factoring under the Renewed Financial Services Framework Agreement (including their views on how the terms of the Renewed Financial Services Framework Agreement have been complied with) and their decisions on any matters in relation thereto will be disclosed in the Company's annual and interim reports.

During the Company's annual audit, the Company will engage its auditors to review the connected transactions between the Company and CNNC and/or its associates to ensure that the transactions under the Renewed Financial Services Framework Agreement have been conducted in accordance with the Listing Rules and have fulfilled the relevant disclosure requirements.

In addition to the internal control measures set out above, the Group has further implemented specific procedures to assess and monitor the credit risks associated with CNNCFC in relation to the transactions contemplated under the Renewed Financial Services Framework Agreement.

(i) Credit risk assessment

Before placing deposits with CNNCFC, the Group conducts a structured assessment of CNNCFC's credit profile, which includes reviewing CNNCFC's financial position, capital adequacy, liquidity indicators and regulatory compliance status through publicly available financial information and industry disclosures. The Group also considers the financial strength and support capability of CNNC, being the controlling shareholder of CNNCFC, when evaluating CNNCFC's ability to meet its financial obligations.

(ii) Ongoing monitoring of credit risks

To complement the quarterly reporting mechanism described above, the finance department performs continuous monitoring of CNNCFC's creditworthiness by tracking changes in financial indicators, market conditions and regulatory developments that may affect CNNCFC's operations. The Company's treasury management system enables real-time review of deposit balances and interest income, and the risk management functions regularly assess the concentration level of deposits placed with CNNCFC to ensure that such exposure remains within the Group's acceptable risk thresholds.

Where any signs of deterioration in CNNCFC's financial condition are identified, the Company may take immediate mitigation actions, including reducing deposit amounts, early withdrawal of deposits, or suspending the provision of further deposits or entrusted loans, as appropriate.

Having taken into account the credit risk assessments conducted before engaging in deposit services and the ongoing monitoring procedures described above, the Board is of the view that the credit and default risks associated with placing deposits with CNNCFC are properly managed and controlled.

In forming this view, the Board has considered, among other factors: (i) CNNCFC is subject to prudential regulation by the NFRA and the PBOC under a regulatory regime that requires compliance with capital adequacy, liquidity and reserve ratio requirements applicable to finance companies of large state-owned groups, which are broadly comparable to those imposed on licensed commercial banks in the PRC; (ii) the financial strength of CNNC and its ability to provide capital support to CNNCFC in the event of liquidity pressure; (iii) CNNCFC's established operating history with no record of default or delay in settling deposits placed by the Group; and (iv) the Group's ability to diversify its treasury arrangements by placing deposits with independent licensed financial institutions where appropriate.

Having regard to the above, the Board considers that the deposits and other financial services contemplated under the Renewed Financial Services Framework Agreement are conducted on normal commercial terms, are fair and reasonable, and that the associated risks are acceptable and appropriately mitigated when compared to placing deposits with independent licensed commercial banks in the PRC.

In respect of the Directors attending the Board meeting, connected Directors Mr. Xiao Yafei, Mr. Zhang Junqi, Ms. Huo Yingying, Ms. Ma Xiaoyu, Mr. Chen Zan and Mr. Ding Jianmin were considered to have material interests in the Renewed Agreements by virtue of being employed by CNNC and its associates and had thus abstained from voting on the Board resolutions in respect of the Renewed Agreements.

The Directors, including the independent non-executive Directors, are of the view that the terms of the Renewed Leasing Agreements are determined through arm's length negotiation on normal commercial terms, and the transactions contemplated and the proposed annual caps thereunder are fair and reasonable, entered into in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

The Directors, excluding the independent non-executive Directors, whose opinions will be formed after considering the recommendations of the independent financial adviser, are of the view that the terms of the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement are determined through arm's length negotiation on normal commercial terms, and the transactions contemplated and the proposed annual caps thereunder are fair and reasonable, entered into in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

1. GENERAL INFORMATION

The Company

The Company and its subsidiaries are primarily engaged in the research, development, manufacturing and sale of diagnostic and therapeutic radio pharmaceuticals and radioactive source products for medical and industrial applications. The Company also provides irradiation services for sterilization purpose and EPC services for the design, manufacturing and installation of gamma ray irradiation facilities. In addition, the Company provides independent clinical laboratory services to hospitals and other medical institutions.

CNNC

CNNC was established on 29 June 1999 and is principally engaged in scientific research and development, construction and production operations in nuclear power, nuclear power generation, nuclear fuel, natural uranium, nuclear environmental protection, non-nuclear civilian products, new energy sources, etc.

CNNCFC

CNNCFC was established on 21 July 1997 by CNNC and CNNC's 25 member units, with a registered capital of RMB4,385.82 million. CNNCFC is a non-bank financial institution which strengthens the centralized management of funds within CNNC, improves the fund utilization efficiency and the financial management services for CNNC's member units. With respect to the entrustment loan service provided by CNNCFC, CNNCFC only acts as a financial agent to facilitate the Company to provide loans to its subsidiaries. Under PRC laws, the Company is prohibited from lending money directly to its subsidiaries and is required to engage financial institutions to provide entrusted loans. On one hand, during the ordinary business of the Group, from time to time the Company needs to finance its subsidiaries to conduct investments, establish new projects, among others. The use of CNNCFC as a vehicle through which intra-group loans could be arranged allows for the more efficient deployment of funds. Compared to other financial institutions, CNNCFC is a safe, flexible and cost-efficient option which may not otherwise be available in the open market. On the other hand, as the Company only provides entrustment loans when the Company has surplus cash, such loans did not in the past, nor are they expected in the future, pose any cash flow pressure on the Company. In addition, as mentioned above, with a deep understanding of the industry characteristics, capital structures, business operations, financing needs, cash flow patterns and the entire financial management system of the Group, CNNCFC is able to provide entrusted loan services to members within the Group on terms no less than, or more favorable than, those available from major commercial banks or independent financial institutions, which enables the Company to reduce costs, maximize efficiency and benefit from the capital pool managed by CNNC.

CNNCFC is subject to the Administrative Measures on Finance Companies within Group Enterprises and other relevant regulations promulgated by the People's Bank of China and the China Banking Regulatory Commission. The establishment of such non-bank financial institutions is subject to approval by the China Banking Regulatory Commission and their operations are subject to the ongoing supervision of the China Banking Regulatory Commission. Non-bank financial institutions shall comply with applicable regulations relating to interests rates issued by the People's Bank of China and the China Banking Regulatory Commission.

Pursuant to applicable PRC laws and regulations, finance companies within enterprises group are only permitted to provide financial services to enterprises within the group or companies of which more than 20% of the shares are held by the parent company. Therefore, CNNCFC may only provide financial services to CNNC's member units (including the Company). As a non-bank financial institution, CNNCFC is subject to various regulatory and capital adequacy requirements, including capital adequacy ratios, collateral ratio, long-term investment ratio and deposit reserve thresholds.

The business scope of CNNCFC includes: (i) providing financial and financing consultancy, credit certification and related consultancy and agency services to CNNC's member units; (ii) assisting CNNC's member units in collection and payment of transaction funds; (iii) providing guarantees to CNNC's member units; (iv) providing entrusted loan and entrusted investment services to CNNC's member units; (v) providing bill acceptance and discount services to CNNC's member units; (vi) processing the settlement of internal fund transfers among CNNC's member units and providing solution plans for relevant settlement and clearing; (vii) taking deposits from CNNC's member units; (viii) providing loan and finance leases to CNNC's member units; (ix) conducting inter-borrowings among finance companies; (x) issuing corporate bonds; (xi) underwriting the corporate bonds issued by CNNC's member units; (xii) equity investments in financial institutions; and (xiii) investments in negotiable securities.

CNNC Financial Leasing Company

CNNC Financial Leasing Company was established in Pilot Free Trade Zone (Shanghai) on 22 December 2015. It is a sino-foreign leasing company, jointly established by CNNC and other 10 companies, including CNNC Shenzhen Xie He Kong Co. Ltd. (Hong Kong), with registered capital of RMB1 billion. The business scope of CNNC Financial Leasing Company includes: (i) financial leasing; (ii) leasing; (iii) purchase of leased property from domestic and overseas sellers; (iv) treatment of residual value of, and maintenance of, leased property; (v) consultation and guarantee for leasing transactions; and (vi) factoring business associated with principal businesses.

CNNC Factoring

CNNC Factoring was established on 17 July 2020, and is 100% controlled by China National Nuclear Corporation Capital Holdings Co., Ltd. Its business scope includes: factoring financing; sales account (classification) management; collection business related to the transfer of accounts receivable; non-commercial bad debt guarantee; customer credit investigation and evaluation; consulting services related to commercial factoring; other businesses approved and recognized by relevant state departments.

2. LISTING RULES IMPLICATIONS

As at the date of this announcement, CNNC is the controlling Shareholder of the Company, holding approximately 73.83% of the Company's total issued share capital directly or indirectly through CIAE, NPIC, CNNC Fund and 404 Company. Therefore, CNNC and its associates are connected persons of the Company pursuant to Chapter 14A of the Listing Rules. The transactions under the Renewed Agreements are continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Renewed Leasing Agreement for the three years ending 31 December 2028 exceed 0.1% but are less than 5%, the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements, but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement and the Renewed Engineering Construction Services Framework Agreement for the three years ending 31 December 2028 exceed 5% but are less than 25%, the transactions contemplated thereunder are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The transactions contemplated under the Renewed Engineering Construction Services Framework Agreement also constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Deposit Services under the Renewed Financial Services Framework Agreement exceed 5%, the Deposit Services are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. In addition, as one or more of the applicable percentage ratios in respect of the proposed annual caps for the Deposit Services under the Renewed Financial Services Framework Agreement exceed 25%, the Deposit Services also constitute major transactions of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting, announcement and Shareholders' approval requirements.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Settlement, Entrusted Loan and Other Financial Services under the Renewed Financial Services Framework Agreement exceed 5%, the Settlement, Entrusted Loan and Other Financial Services are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Financial Leasing Services under the Renewed Financial Services Framework Agreement exceed 0.1% but are less than 5%, the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements, but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Factoring Services under the Renewed Financial Services Framework Agreement exceed 5%, the Factoring Services are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the proposed annual caps for the Asset Securitization Services under the Renewed Financial Services Framework Agreement exceed 5%, the Asset Securitization Services are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

3. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee comprising all independent non-executive Directors has been established to advise the Independent Shareholders in respect of the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement (including the proposed annual caps). The Company has engaged Rainbow Capital (HK) Limited as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders with respect to the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement (including the proposed annual caps).

4. EXTRAORDINARY GENERAL MEETING

The Company will convene a general meeting to consider and, if appropriate, approve the resolutions to be proposed in relation to the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement (including the proposed annual caps).

A circular containing, among other things, (i) further details of the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement; (ii) a letter from the Independent Board Committee containing its opinions and recommendations in respect of the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement; and (iv) a notice of the general meeting, will be dispatched to the Shareholders within 15 business days.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms and expressions have the meanings set forth below:

“2023 Carbon-14 Supply Agreement”	the carbon-14 raw materials supply framework agreement entered into between the Company and Headway on 31 October 2023, pursuant to which, Headway and its associates (excluding the Group) will purchase carbon-14 raw materials, other products and related services and other services from the Group
“2023 Cobalt-60 Supply Agreement”	the cobalt-60 radioactive sources purchase and related services framework agreement entered into between the Company and CNNC Tongxing on 31 October 2023, pursuant to which, the Group will purchase cobalt-60 radioactive sources and related services and other services from CNNC Tongxing and its associates (excluding the Group)
“2023 Consulting Agreement”	the consulting services fee framework agreement entered into between the Company and CNNC Tongxing on 31 October 2023, pursuant to which, the Company will provide certain technical support and consulting services and other services to CNNC Tongxing and its associates (excluding the Group)
“2023 Engineering Construction Services Framework Agreement”	the engineering construction services framework agreement entered into between the Company and CNNC on 31 October 2023, pursuant to which, the Group will purchase certain construction services, equipment services and consultation services from CNNC and its associates (excluding the Group)
“2023 Financial Services Agreement”	the financial services agreement entered into between the Company and CNNC dated 30 March 2023, pursuant to which, CNNC and/or its associates (excluding the Group) would provide the Group with certain financial services
“2023 Leasing Agreement”	the property & equipment leasing and related services framework agreement entered into between the Company and CNNC on 31 October 2023, pursuant to which, the Group will rent or use certain properties and equipment from CNNC and its associates (excluding the Group) from time to time and CNNC and its associates (excluding the Group) will provide supporting services relating to such properties and equipment
“2023 Supply Agreement”	the products and services supply framework agreement entered into between the Company and CNNC on 31 October 2023, pursuant to which, CNNC and its associates (excluding the Group) will purchase certain products and related services and other services from the Group

“2023 Purchase Agreement”	the products and services purchase framework agreement entered into between the Company and CNNC on 31 October 2023, pursuant to which, the Group will purchase certain products and related services and other services from CNNC and its associates (excluding the Group)
“Asset Securitization Services”	asset securitization services provided by CNNC Factoring to the Group pursuant to the Renewed Financial Services Framework Agreement
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“CNGT”	Chengdu Gaotong Isotope Co., Ltd. (CNNC) (成都中核高通同位素股份有限公司), a non-wholly-owned subsidiary of the Company
“CNNC”	China National Nuclear Corporation (中國核工業集團有限公司, previously known as “中國核工業集團公司”), a company established under the laws of the PRC on 29 June 1999, the controlling Shareholder of the Company
“CNNC Tongxing”	CNNC Tongxing (Beijing) Nuclear Technology Co., Ltd. (中核同興(北京)核技術有限公司), a connected subsidiary of the Company
“CNNC Qinshan Isotope”	CNNC Qinshan Isotope Co., Ltd. (中核秦山同位素有限公司), a connected subsidiary of the Company
“CNNCFC”	CNNC Finance Company Limited (中核財務有限責任公司), a company established under the laws of the PRC on 21 July 1997 and controlled by CNNC
“CNNC Factoring”	CNNC Commercial Factoring Co., Ltd. (中核商業保理有限公司), a company established under the laws of the PRC on 17 July 2020 and controlled by CNNC
“CNNC Financial Leasing Company”	CNNC Financial Leasing Co., Ltd. (中核融資租賃有限公司), a company established under the laws of the PRC on 22 December 2015 and controlled by CNNC
“Company”	China Isotope & Radiation Corporation (中國同輻股份有限公司)
“connected persons”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“Deposit Services”	deposit services provided by CNNCFC to the Group pursuant to 2023 Financial Services Agreement and Renewed Financial Services Framework Agreement
“Group”	the Company and its subsidiaries
“Board”	the board of Directors

“Director(s)”	director(s) of the Company
“EPC”	engineering, procurement and construction
“Existing Agreements”	the 2023 Financial Services Agreement, the 2023 Carbon-14 Supply Agreement, the 2023 Cobalt-60 Supply Agreement, the 2023 Consulting Agreement, the 2023 Supply Agreement, the 2023 Purchase Agreement and the 2023 Engineering Construction Services Framework Agreement
“Factoring Services”	factoring services provided by CNNC Factoring to the Group pursuant to 2023 Financial Services Agreement and Renewed Financial Services Framework Agreement
“Financial Leasing Services”	financial leasing services for certain assets used by the Group in the course of its operations provided by CNNC Financial Leasing Company to the Group pursuant to 2023 Financial Services Agreement and Renewed Financial Services Framework Agreement
“Headway”	Shenzhen Zhonghe Headway Bio-Sci & Tech Co., Ltd. (深圳市中核海得威生物科技有限公司), a connected subsidiary of the Company
“HTA”	HTA Co., Ltd. (原子高科股份有限公司), a non-wholly-owned subsidiary of the Company
“404 Company”	CNNC 404 Company Limited
“CIAE”	China Institute of Atomic Energy
“CNNC Fund”	Beijing CNNC Industry Investment Fund (LLP)
“NPIC”	Nuclear Power Institute of China
“Independent Board Committee”	the independent board committee of the Board, comprising Mr. Poon Chiu Kwok, Ms. Chen Jingshan, Mr. Lu Chuang and Mr. An Ru, all being the independent non-executive Directors of the Company
“Independent Financial Adviser”	Rainbow Capital (HK) Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, which has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Renewed Engineering Construction Services Framework Agreement (including the proposed annual caps)
“Independent Shareholders”	the Shareholders who are not required to abstain from voting in favour of the resolution for approving the proposed resolutions under the Listing Rules

“Independent Third Party”	a third party independent of and not connected with the Company and its subsidiaries and its connected persons (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China, excluding, for the purpose of this announcement only, Hong Kong, Macau Special Administrative Region and Taiwan
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Renewed Agreements”	the Renewed Leasing Agreement, the Renewed Products and Services Supply Framework Agreement, the Renewed Products and Services Purchase Framework Agreement, the Renewed Engineering Construction Services Framework Agreement and the Renewed Financial Services Framework Agreement
“Renewed Leasing Agreement”	the leasing agreement entered into between the Company and CNNC on 11 December 2025, pursuant to which, the Group will rent or use certain properties and equipment from CNNC and its associates (excluding the Group) and CNNC and its associates (excluding the Group) will provide supporting services relating to such properties and equipment
“Renewed Products and Services Supply Framework Agreement”	the renewed products and services supply framework agreement entered into between the Company and CNNC on 11 December 2025, pursuant to which, the Group will supply to CNNC and its associates (excluding the Group) various products and will provide services related to the sales of such products
“Renewed Products and Services Purchase Framework Agreement”	the renewed products and services purchase framework agreement entered into between the Company and CNNC on 11 December 2025, pursuant to which, CNNC and its associates (excluding the Group) will provide the Group with certain products and services
“Renewed Financial Services Framework Agreement”	the Financial Services Framework Agreement entered into between the Company and CNNC on 11 December 2025, pursuant to which, CNNC and its associates will provide the Group with certain financial services
“Renewed Engineering Construction Services Framework Agreement”	the engineering construction services framework agreement entered into between the Company and CNNC on 11 December 2025, pursuant to which, CNNC and its associates will provide the Group with certain engineering construction services
“RMB”	the lawful currency of the PRC

“Settlement, Entrusted Loan and Other Financial Services”	settlement, entrusted loan, foreign exchange and related consulting and agency services provided by CNNCFC to the Group pursuant to 2023 Financial Services Agreement and Renewed Financial Services Framework Agreement
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board
China Isotope & Radiation Corporation
Xiao Yafei
Chairman

Beijing, the PRC, 11 December 2025

As at the date of this announcement, the Board comprises Mr. Xiao Yafei, Mr. Zhang Junqi, Ms. Huo Yingying and Ms. Ma Xiaoyu as executive Directors; Mr. Chen Zan, Mr. Ding Jianmin and Ms. Chang Jinyu as non-executive Directors; and Mr. Poon Chiu Kwok, Ms. Chen Jingshan, Mr. Lu Chuang and Mr. An Rui as independent non-executive Directors.